Hearst Sets Newsprint Price (Page 15)

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

Largest Circulation of Any Canadian Financial Paper

Vol. XXX | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, MARCH 21, 1936 | 10c a Copy; $5.00 a Year | No. 12

The Nation's Business

Aberhart Again Talks Repudiation

Canada's National Literature

Case for Magazines

St. Lawrence Waterway Again

Case For It Is Not Yet Proved

No Need For This Repudiation

IN ANNOUNCING his intention of introducing legislation to force Alberta bondholders to accept 2¾ or 3 per cent interest on their bonds, Premier William Aberhart again reaches the acme of inconsistency. "It is to prevent the necessity of repudiation," he is reported as saying, "that we are planning the refunding system." He might better have said: Instead of going into an honest bankruptcy the Alberta government intends to enforce a repudiation of its obligations.

From the creditor's viewpoint, there is no point in making the debt concessions sought by Mr. Aberhart, since there is no guarantee that the sacrifice will be effective in preventing a recurrence of the trouble. If Alberta can show that the saving on interest is unavoidable and that it will allow the province to reduce its debt, and if it will arrange a Dominion guarantee under the Loan Council plan, Mr. Aberhart would have a case to present to bondholders, who are reasonable people. So far, he has failed to show that his refinancing plan is any better than his social credit speculations.

Official announcement has already been made at Ottawa that a joint petition of Senate and Commons will be sent to His Majesty requesting amendments to the British North America Act that would make it possible to refinance Alberta's debts under Dominion guarantee. True, Mr. Aberhart would be required to give some security for such a guarantee, but when has it ever been unreasonable to ask a debtor for security? The only apparent reason for refusal by the Aberhart government to follow the rational Dunning plan of Loan Council refunding is the colossal social credit hoax; a hoax indeed on Mr. Aberhart himself.

* * *

THE Aberhart government is also reported to be studying the possibility of forcing reduction of interest rates on private mortgages. We wonder how those in the building trade in Alberta feel about it; how the masons, carpenters and bricklayers like the idea; how the would-be homeowner expects to finance erection of a dwelling. For it must be clear that such a coercive and arbitrary plan of interference with private contracts would have the effect of keeping capital out of Alberta. The private mortgagee will not lend where the ordinary risks of his business are augmented by arbitrary interference. Nor can the government lend for building purposes if it destroys its credit by the present scheme of coercive conversion. The building business in Alberta may be facing semi-permanent stagnation for want of new mortgage money.

It is an indisputable fact that the government that cannot borrow for the legitimate needs of its combined people is impoverished, and the Aberhart government appears to be contemplating steps to ensure that this will be the fate of a great province.

* * *

Our National Literature

FOR several hours on Friday last week Parliament debated the position and the future of Canada's national periodical literature. In a discussion that was replete with much confusion and misinformation, one point did stand out; that members of the Commons are agreed that in the development of its nationhood, Canada must enjoy the stimulating benefits of competently edited, widely distributed magazines and periodicals.

One cannot build up the national spirit solely by keeping out the literary products of other nations. Ideas should not be expected to recognize national boundary lines. Such may be the policy of the Mussolinis and the Hitlers who seek to command their people's thinking. Canadians have catholic tastes and a great love for freedom of opinion. Canada will always want to read the best periodical literature of other countries, particularly of Great Britain and the United States.

In Germany and Italy the people are permitted to read only those periodicals which promote the pan-Germanic or pan-Italian concept of things. They may not weigh those ideas against those of other peoples.

In Canada, the situation is not completely the opposite but is nearly so. As a result of recent tariff changes, magazine articles, editorials, illustrations, fiction and advertising—written in the United States to foster American ideas and products—are favored by what really amounts to a subsidy as against those produced in Canada, by Canadians, and for Canadians, to help build up the spirit of Canadian nationhood.

* * *

THIS is the simple and vital truth in the present discussion regarding the place of Canadian magazines. Americans have all the ad-

(Continued on page 2, col. 4)

Request Hits Farm Orders For Machines

Suggestion to Suspend Prices Proves Monkey Wrench

REASON FOR BOOST

With farmers in Western Canada prepared to pay more for new farm implements, the request of the House of Commons agricultural committee that manufacturers suspend their price increases until the enquiry decides on their justification has definitely slowed up farm machinery business.

Quite a brisk trade had developed for latest models and officers of various companies were becoming hopeful for results for 1936 as a whole. Talk at Ottawa of forcing prices lower has caused a number of potential buyers to wait awhile.

Prices were raised on certain lines of implements at the outset of 1936. The committee asks in effect that the companies recall price lists now in the hands of agents and go back to old prices until an enquiry can be held. Hon. W. R. Motherwell, former Minister of Agriculture, and Fred Johnston, of Lake Centre, both Liberals, were particularly insistent that prices should be lowered at once.

Farmers Demand Latest

Farm implement manufacturers were loath to state their views in advance of an enquiry. They claim, however, that it is almost impossible for a manufacturer to sell old types of farm implements in any great quantity no matter how good. There have been a number of improvements during the depression period but prices were not raised, while farm buying power remained abnormally low. Farm implement companies themselves had serious losses from year to year but the time has come, they state, when the price of new implements has to come up to take account of the added costs brought about by the improvements.

Farmers, it is said, are fully informed about projected improvements in new implements before they get to the agents. Few farmers will consider buying anything but the latest models and every effort has been made to meet their ideas. The manufacturers insist that the increases in price represent additional value that has gone into the implements. Quality of material has been improving in the last three or four years, they state. Greater facility is also given in the handling of machinery by reason of some of the improvements.

Increase 3½ Per Cent

"Our increases were equivalent to about 3½ per cent on total sales estimated as likely for 1936," said one manufacturer. "It was not a general increase. In fact, out of 78 of the more important machines distributed through Western Canada only 28 lines were affected. These were the lines where there had been the greatest improvement in value. A comparison with other things the farmer buys will show that our increases have probably been the most moderate. The farmer spends about 3 cents of his budget dollar on farm implements and repairs."

Previous model machines are available on the market at reduced prices, it is reported. The difficulty the manufacturer has in disposing of these is cited as proof that the farmer prefers the more up-to-date machines.

Tariff is Not Factor

"Why is it that these prices have been raised just after a reduction in tariff as a result of the Canadian-United States agreement?" he was asked.

"No benefit has come to the farm implement manufacturer from that. Our costs have not been changed. Lower duties may increase competition but certainly not a single raw material has been reduced in price. The question of tariff does not enter into the calculation at all. When the duty went up to 25 per cent we did not increase our prices. We see, therefore, no reason to decrease them when the duty comes down."

At Awkward Time

Another manufacturer was indignant. "I would not mind if this enquiry were after the spring sales were over because I am sure an enquiry will show our case is a good one. But coming at this time it makes a great many farmers hold off in the hope that we will come down in price. No one can blame them for being misled. It comes at a time when we were beginning to hope that the long spell of bad times was beginning to lift. No one knows better than the manufacturer that his price has to be reasonable if he is to do business at all with the farmer. But he cannot go on doing business at a loss and hope to stay in business."

Compared With U. S.

"Can you show comparative prices of implements in the United States and Canada?" he was asked.

"It would not mean anything because the methods of sale are very different. The United States manufacturers sell to local dealers and these set prices to the farmer. If such a local dealer needed money at any time he might be willing to sell at low prices to clear stock and make his position financially liquid."

See Big Year

From Our Own Correspondent

REGINA.—In spite of increased prices on farm machinery dealers in Saskatchewan are looking forward to one of their best years since 1928, the peak in the last decade.

(Continued on page 2 col. 6)

Ontario Acts to Control Pulp and Paper Industry

Hon. Peter Heenan, Ontario Minister of Lands and Forests, has introduced a bill in the provincial legislature giving the government power to reallocate timber limits and to regulate the pulp and paper industry. The bill is the Forest Resources Act 1936.

The bill would allow the government to increase stumpage dues payable by any company to five times the ordinary amount as a penalty where, in the government's opinion, the firm is operating in a manner detrimental to the public interest. This follows the lines of Quebec legislation. The proposal originated in connection with the Great Lakes Paper Co. bankruptcy sale, in which case other newsprint interests claimed the company was proposing to act detrimentally to the industry as a whole and against the public interest.

The reallocation phase of the bill is viewed as important to the newsprint industry and particularly to the Great Lakes Paper Co. Mayor Charles Cox of Port Arthur, who is a Liberal member of the Ontario legislature, recently argued that the government had granted to the company limits which it has not developed. The bill would allow reallocation of such limits and removal from the concession agreement areas not deemed necessary for maintenance of adequate supplies of pulpwood.

In some circles the view is held that the reallocation proposals that have been made amount to interference with private contracts. Such interference, it is claimed, might undermine titles to numerous Ontario timber limits.

British American Oil Crude Output Mounts

Oklahoma City Output Now Equals Company's Whole Crude Needs

EXPANDING DAILY

Process of funding capital expenditures in recent years has placed British American Oil Co. in a much stronger financial position. In 1935 bank loans of $2.2 millions were entirely eliminated. Cash doubled during the year to $1.6 millions and the working capital position generally is the strongest in its history.

A. L. Ellsworth, president, states that 1935 financing not only permitted these improvements but did so at little extra cost. The savings effected through the lower interest rate were the reason. Further savings in yearly interest charges will result when the directors call for redemption the outstanding 5 per cent debentures and issue in their stead 8-year serial debentures bearing interest at the rates of 2½ per cent and three per cent. In the 1935 balance sheet these debentures are shown at $4.1 millions and, but for being called, would have been due March 1, 1945.

Crude Objective Reached

Much greater interest than usual will be excited in the annual meeting by the last paragraph of the president's remarks where he promises a more detailed explanation of the items in the balance sheet and of the operations of the company in 1935. This annual meeting will be held on April 7, 1936. Much more extended explanations have customarily been given at the annual meetings than are regarded as advisable in the annual report. This year special interest in these explanations will be excited because of the spectacular success attending the company's drilling operations at and near Oklahoma City.

On this point Mr. Ellsworth says in the report: "In 1934 we stated investments in our American subsidiaries were made with the view of ultimately obtaining from our own properties full crude oil requirements for our refineries in Canada. This objective has been substantially accomplished.

"Late in 1935 our wholly-owned subsidiary, British American Oil Producing Co., developed production in an extension of the Oklahoma City field, and since the beginning of the year wells have been brought in with a total daily allowable production in excess of our Canadian requirements. In addition we have other wells in various stages of drilling in this field."

Drilling 13 More Wells

The Financial Post understands that when Piersol No. 5 came into production the other day at Oklahoma City with a potential production of 20,715 barrels and an allowable of 3,017 barrels, that made in that district the company's sixth successful well. The total allowable production from all six is understood to be 20,140 barrels. Further tests are showing higher potentials for some of these wells so that allowable total may be revised upward.

In addition, the company is drilling 13 other wells in this area. They are at different stages but two or three more wells are expected to come in before the end of March.

In Lap of Gods

What the company will eventually make out of these wells is in the laps of the gods. It was officially stated that in 1934 B. A. Oil earned in the United States more than the half million dollars shown in each of the two preceding years. It may be that 1935 will exceed the 1934 total and certainly 1936 results will be a multiplication of the 1934 totals.

The company's British Columbia operations are confined to that part most easily served from the company's Coutts, Alta., refinery. A marine bulk storage plant has been established at Saint John, N.B. Products for Maritime distribution are shipped in the company's tankers from the Montreal refinery to Saint John.

As company had in 1935 the highest volume of sales in its history and the highest earnings, bar 1928 and 1929, it is interesting to note that the financial statement reviewed on page 28 does not take into account anything but earnings of the company and its Canadian subsidiaries. Its interest in United States subsidiaries both in 1934 and 1935 is shown at $2.4 millions, $2 millions of it representing advances and the remainder the investment in capital stock.

The company increased its capital investments in Canada during 1935 and also boosted its depreciation reserve by $1 million. Fixed assets are now shown at $15.2 millions, after depreciation of $10.7 millions. Total assets are $30 millions. Outstanding debentures increased during the year from $4.3 to $8.1 millions.

C. P. R. Gains On Smelters

From Our Own Correspondent

MONTREAL. — Consolidated Mining and Smelting Co. has announced a plan of splitting the capital stock into five new shares of the par value of $5 each for each old share of $25 par value. This increases the number of shares held by the Canadian Pacific Railway from 336,500 to 1,682,500 shares, or slightly more than half of the issued share capital of Smelters.

The anticipated splitting of this stock has been reflected in a relatively sharp advance in the market value of Smelters stock to around a current price of about $285 a share. At this level the C. P. R. holdings have a market value of $95.9 millions or $87.5 millions more than the value at which the shares are carried on the books of the company. Even taking in the shares at their reported cost price—around $55 a share—the company's holdings in Smelters now show a paper profit of approximately $77.4 millions or an appreciation of around 420 per cent.

The reason given by Smelters for the splitting of the stock is to create a wider market for the shares of the company.

Printing Industry Hopeful Of Favorable Tariff Ruling

Tariff adjustments respecting the printing industry are being carefully studied by the Department of Finance and as a result it is believed action will be taken when the budget comes down, says the current issue of Canadian Printer and Publisher.

"The government is expected to greatly restore the duty on advertising and printed matter," says this paper. "The printers and lithographers have suggested that it be made 32½ per cent ad valorem as well as 12½ cents per pound, whichever rate proves higher when the import article is appraised for duty purposes. On the better grade printing the ad valorem rate would apply; on the cheaper grades the specific rate.

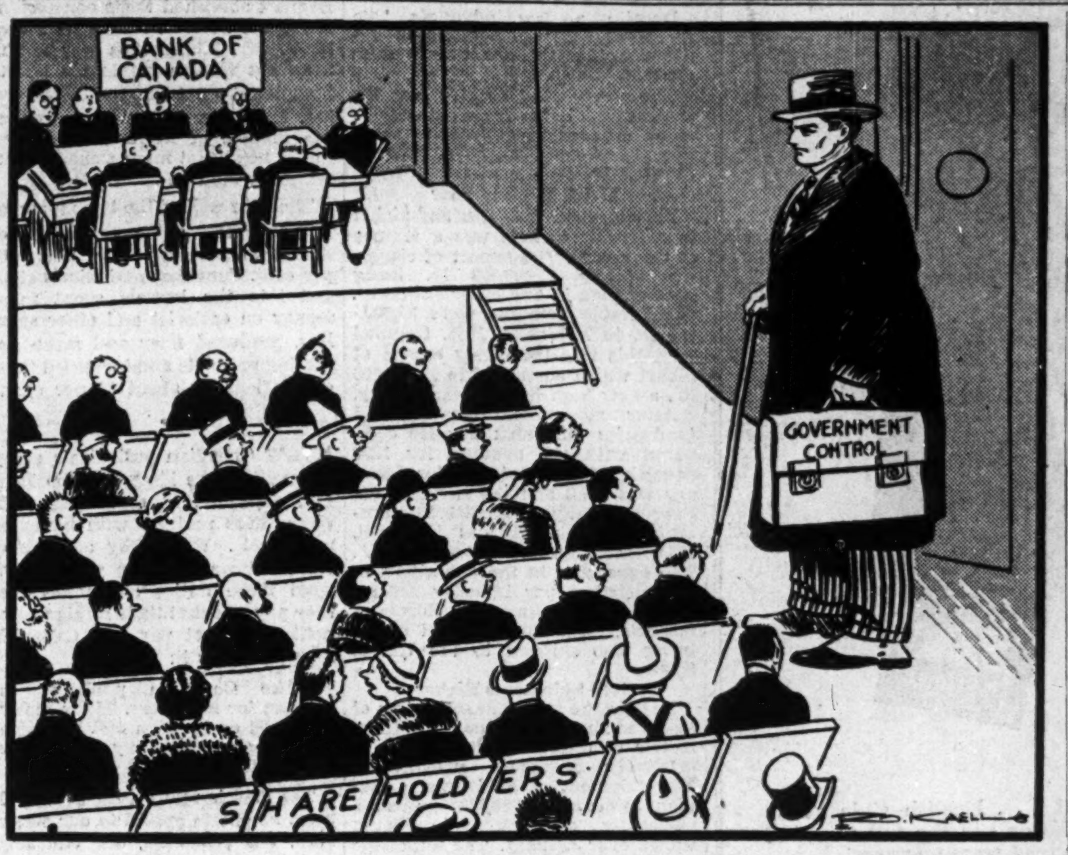
"The Dominion budget will be brought down shortly. Only a few tariff changes are expected, but if item 178 (dealing with advertising and printed matter) includes the ad valorem alternative mentioned, printers and lithographers across Canada will be happy.

"The extent of the loss of printing jobs to Canadian printers as a result of the reduction in the tariff on advertising and printed matter cannot be easily determined, but it will in time prove even more serious—for it is certain that Canadian printers and lithographers will lose a large volume of business during the course of the year. Many profitable printing jobs for United States branch plants in Canada will have to be cut in price to hold them here; others cannot be held unless the jobs are done at a loss."

English Electric Plans $200,000 Light Factory

English Electric Co. of Canada plans to spend about $200,000 on the proposed plant for manufacture of incandescent electric light bulbs, it is understood. It is hoped at present the plant will be in operation by next October.

A separate subsidiary may be formed to own and operate the incandescent light project.



—Drawn for The Financial Post by R. Kaell.

LOOK WHO'S HERE!

Highlights

Trust and Loan

Financial positions of leading Canadian trust and loan companies reviewed in special feature section. Pages 18 to 22.

Home Modernization

All branches of construction industry contribute to modern methods of home renovation and rehabilitation. Cellars, kitchens and attics transformed. Pages 11 to 14

Hearst and Newsprint

Earnings of Canadian newsprint industry may be vitally affected by coming deal with powerful U. S. publisher. Page 15

Captain Flanagan

Colorful personality in business world who fought for Cuban independence is friend of popes and presidents. Page 16

Central Banking

Freedom from political influence is paramount consideration, regardless of share ownership. Page 25

Gunnar Gold

LaBine-directed Central Manitoba property to produce within a month. Page 30

Investor's Index

INDUSTRIALS AND UTILITIES

Aluminum Can.	5	Farm Mutual	29
Acadia Sugar	9	Grand Trunk Ry.	5
Anaconda	13	Gt. Lakes Pwr.	28
Anglo-Can.Pap.	15	B. C. Power	13
Abitibi	9	Ham. By-P.	9
B. C. Electric	8	Harding Carp.	9
Beauharnois	5, 14	Holt Renfrew	28
Bank of Can.	4	Int. Transit	28
B. C. Teleph.	8	Int. Paper	15
Burrard Dry D.	5	Int. Paint	5, 14
Brazilian	9	I. P. of Nfld.	28
Brazilian Tr.	4	Int. Brick	28
Brompton 15, 16,	28	Lower St. Law.	28
Bell Tel.	12	Lake St. John	15
Brompton	16	Man. Power	2
B. C. Pulp	28	Mtl. Power	3
Brewing Corp.	28	McCormick's	4
Can. Canners	4	McKinnon Ind.	14
Can. Dredge	4	Mont. Isld. Pwr.	13
Can. Bud	4	Mercury Mills	28
Cosmos Imp.	4	Niagara Wire	8
Can. Packers	4	N. S. Steel	8
Can. Inv. Fund	4	Nat. Life	26
Can. G. El. 4, 12,	28	N. W. Utilities	9
C. Westinghouse	28	Power Corp.	13
Corr. Pap. Box	28	P. G. E. Rwy.	14
Can. Bakeries	9	Pressed Metals	28
Can. N. Pwr.	9	Porto Rico Pwr.	28
C. P. R. 5, 9,	23	Regent Knit.	28
Can. Ind. Ltd. 7,	11	Royal Bank	3
Can. Inv. Corp.	23	Rob't. Gair	3
Cons. Paper	15	St. Lawrence P.	15
Can. Int. Paper	1	Steel of C. 4, 13,	28
Cons. Bakeries	28	Spiral Nail	4
Can. Cement	9	Supersilk	8
Dom. Coal 9,	13	Silverwood's	5
de Havilland	4	St. Lawr. P. 23,	28
Dom. Stores	4	Stanfield's	5
Dufferin Pavg.	8	St. Lawrence P.	28
Dom. Electric	28	Sauvegarde	26
Donnacona	8	Thayers Ltd.	8
Dairy Corp.	8	Tip Top	4
Dom. Textile	2	Tor. Elevators	9
Dunrobin	8	Union Gas	9
Eng. Electric	7	Walker's	23
Ec. Inv. Trust	4	Union Mut. D.M.	26
Eng. Elec. 1, 7,	28	West. Empire	26
Ec. Inv. Trust 4,	16	Wawanesa	26
Eng. Elect.	4	Wpg. Elec. 5, 13,	28
Fraser Cos.	14	West. Grocers 3,	4
		York Trading	7

MINES AND OILS

Ardeen	31	Kirk. Prem.	31
Ajax Oil	8	Lake Shore 4,	31
Anglo-Hur.	31	Lakeside-Kirk.	30
Ashley	31	L. L. Lac	31
Algoma	29	Macassa	31
B. A. Oil 1,	28	Minto	30
Buff.-Ank.	31	Marbuan	31
B.-Hollinger	31	McIntyre	31
B. A. Oil	28	Mat. Cons.	31
Bralorne	31	McMillan	31
Bulolo	30	McColl-Front.	23
Bid.-Kirkland	31	McW.-B'rdmore	29
Big Master	31	Morris-Kirk.	29
Coniaurum 30,	31	Norgold	30
Cent. Pat.	31	Noranda	31
C. W. Nat Gas	29	N. Empire	31
Cons. M. & S.	23	Nor. Star Oil 4,	28
Dome 30,	31	Faymaster	31
Darwin	31	Parkhill	31
Goldale	31	Pr. East Dome	29
God's Lake	30	Perron 30,	31
Gateway Pat.	30	Supertest	8
Gunnar Gold	30	Sapawe	31
Hollinger	31	Sylvanite	31
Howey	31	St. Anthony	31
Int. Pete. 9,	16	T.-Hughes	31
Int. Nickel	29	Toburn	31
Imperial Oil	9	Tashota	31
Isld. Mountain	29	Tex.-Can. Oil	23
Isld. Lake	30	Winoga Pat.	30
Jowsey Isld.	30	Wingold	31
Kirk. L. Gold 30,	31	Wr.-Hargreaves	31
Kaw.-Crow	30	Young Dav.	31

QUOTATIONS

Bonds	24	Mines	24
Grain	29	Stocks	24

Foreign Exchange . . . 25

REGULAR FEATURES

Banking	25, 27
Bond Markets	5
Business	7
Company Earnings	28
Construction	11, 12, 13, 14
Dividends Declared	5
Editorial	6
Grain	29
Investors' Enquiries	9
Investment Trends	4
Insurance	28
Mining	29, 30, 31
Municipal Finances	23

Alberta Debt Plan Social Credit Sop At Investors' Cost

Shunning of Loan Council Plan of Guarantee Based on Advice of Major C. H. Douglas, Inventor of "Social Credit"

REFUNDING AUTHORITY FOR CITIES

Behind the Aberhart proposal to reduce coupon rates on all Alberta bonds to 2¾ or 3 per cent lies "social credit."

The reaction of investors is that the scheme is outright compulsory repudiation.

For months it has been suspected Alberta would be the first Canadian province to default or to propose a compromise with its creditors.

Hopes had been held by investors, however, that the province would make use of the Dunning Loan Council plan to refund its debts under Dominion guarantee. This would involve some control over provincial financing by the guarantor federal government.

Major C. H. Douglas, British inventor of "social credit," has advised the Alberta Government to shun any proposal that involves surrender of financial autonomy. Since Alberta's Aberhart government has been trying unsuccessfully to get Major Douglas to come to Canada, it is believed that the scheme to force lower rates on Alberta bonds—entirely outside the Loan Council scheme—represents a yielding to the "social credit" chieftain. Evidence of this may be seen in the fact that Robert J. Magor, Montreal industrialist, who originally drafted the proposal for refunding Alberta's debt at 2¾ per cent, only this week advised the Aberhart government to adopt the alternative Loan Council scheme under federal guarantee. This advice was disregarded.

Push Council Plan

Official announcement was made at Ottawa this week that a joint petition will be made to His Majesty's government in London seeking amendments to the British North America Act to make the Loan Council plan effective.

The proposed amendments would allow the Dominion to extend its guarantee to the bonds of any province that wishes to make use of the plan. It would be voluntary to the provinces. However, any province receiving the guarantee would have to pledge subsidies, or other revenues within the federal government's control, as security to the Dominion. There would be other controls over borrowing and refunding of debts.

These control measures are the points to which the Aberhart government takes exception. Major Douglas, the daddy of all "social crediters," holds the view that any surrender of financial freedom adds to the difficulties of operating "social credit."

Cities May "Refund"

It is not widely known that "refunding" schemes for the cities of Edmonton and Calgary, Alberta, could be drawn into the picture.

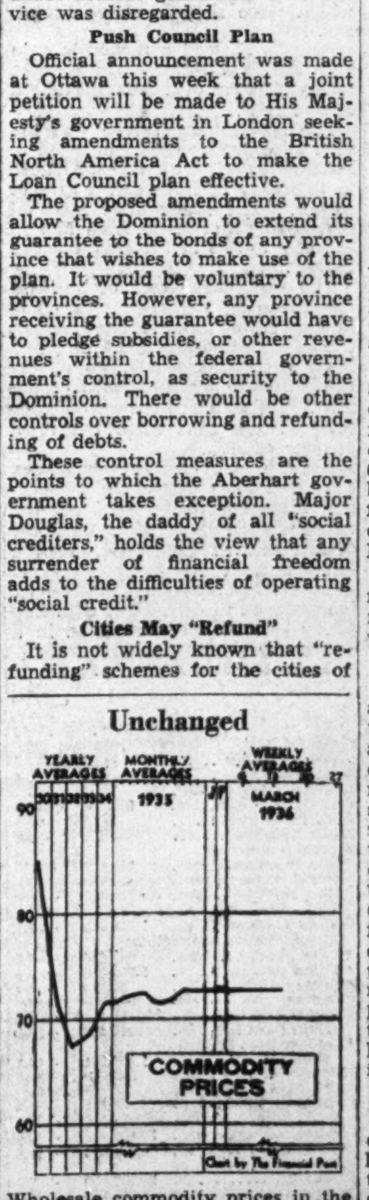
Edmonton, for instance, obtained authority from the Alberta legislature last year to reduce interest charges on its debt without consulting bondholders. The city, however, must obtain sanction from the Alberta Board of Public Utility Commissioners, which is controlled by the Government.

Calgary recently requested the Aberhart Government for similar permissive refunding legislation. The Calgary request has been deferred pending representations by creditors.

Investors feel that municipal refunding laws of this sort run contrary to provincial statutes which usually require consent of 50 or 60 per cent of bondholders before any compromise can be made binding upon all creditors.

The possibility that Investors fear in the Alberta situation is that the two major cities of the province will want to follow the province's lead, on the principle that what's sauce for the goose is sauce for the gander.

Unchanged



Wholesale commodity prices in the week ended March 13 were unchanged from the previous week at 72.5, according to the index compiled by the Dominion Bureau of Statistics.

The Ottawa View

From Our Own Correspondent

OTTAWA. — The announcement of Premier William Aberhart that legislation is to be introduced in the Alberta legislature to effect a compulsory conversion of $160,000,000 of provincial debt, is regarded in official circles here as highly unfortunate.

Mr. Aberhart proposes a compulsory conversion to trim a huge slice off Alberta's interest bill. The new rates are to be from 2.75 to 3 per cent and the saving will be $3,255,000. Upon the announcement the bottom dropped out of the market for Alberta bonds, bids being withdrawn. "Nominal" quotations at low levels were established later.

Even with the proposed interest reduction, Alberta's estimated deficit of $4.7 millions for 1936-37 would not be corrected.

Theory is Destroyed

This action is branded at Ottawa as direct repudiation of bond contracts and important consequences are bound to follow. The "compact" credit theory, adhered to by the Bennett government, has now been destroyed not by the Dominion but by a western province. In supporting this theory upwards of $100,000,000 of Dominion money has been loaned to these western provinces and it is common knowledge that the driving force behind the Dunning loans council policy was the desire either to control western provincial borrowings or to separate national from provincial credit. The Dominion, in this council, has been seeking an honorable escape from the past policy.

To Close Purse

Premier Aberhart has $3,200,000 of debt maturing April 1. With the loans council legislation still to come, this maturity would have been looked after by the Dominion without necessity of the province pledging itself to come under the new policy. But with Mr. Aberhart committed to repudiation, the chief reason for Dominion succor disappears.

Central Bank Changes Held Just Gesture

Programme of "Nationalizing" Won't Involve Important Shake-up

MORE CAPITAL STOCK

From Our Own Correspondent

OTTAWA.—With the announcement of the government's legislation to "nationalize" the Bank of Canada, all danger of any important change in the existing set-up of this institution evaporates.

The resolution closely follows forecasts made in The Post. The method of liquidating the Liberal party's campaign pledge to be followed is to increase the capital stock of the bank to a point where the government will own a majority of the shares. The present shareholders will not be disturbed and the only difference that will occur in the management will be addition of government appointed directors.

To all practical purposes, the government's legislation is eye-wash and it is a safe forecast that opposition groups in parliament who believe in outright nationalization will easily identify it as such. To this extent, the government, it is believed, is prepared to "eat crow," believing that the purpose in view—the maintenance of the Bank of Canada substantially in its present form—justifies the measure.

At the present time there are 100,000 shares of the bank outstanding, par value $50. The government will probably buy a further 120,000 shares to be issued by the bank after the legislation is adopted. The cost will be $6,000,000 but the government has a large sum on deposit with the bank earning about 2 per cent interest. The shares pay 4½ per cent cumulative dividend. Any surplus earnings of the bank above dividend and reserve needs go to the government anyway.

The Final Control

In defending the bill, the government, it is believed, will stress the authority vested indirectly by the existing act in the government. Section 14 provides that no action of the board will have any force or effect unless concurred in by the governor or, in his absence, by the deputy governor. Both officials are appointed not by the shareholders but by the government. Under the present statute the board consists of 10 men. There are seven directors elected by the shareholders, the governor, the deputy governor and the deputy minister of finance. By the appointment of a few more directors, the government's representation will be increased so as to outnumber the elected directors.

Declines Include Autos, Building

But Foreign Trade and Mineral Output Are Up

Last minute figures on February business confirm disappointing domestic returns, particularly in manufacturing, with important advances in individual items notably foreign trade and mineral output.

Most notable declines from a year ago were in automobile production (down 26 per cent); imports of petroleum which dropped a like amount; and building permits (off 47 per cent). Additional figures will be found on page 7.

	Feb.	Change From prev. period %	From prev. year %
Monthly:			
Wheat flour exp., bbls.	340,102	+ 8	+ 9
Newsprint prod., tons	221,569	— 2	+22
Building permits	$1,911,884	+49	—47
Raw cotton imp., lb.	11,724,408	—41	+89
Steel ingot prod., tons	93,285	—69	+66
Pig iron prod., tons	55,751	— 9	+49
Auto. prod., No.	13,268	—0.2	—26
Petroleum imp., gal.	39,654,916	—35	—26
Crude rubber imp., lb.	4,256,276	+ 8	+22
Weekly:			
Car loadings, No.	45,410	+0.3	+ 8
Cattle sales, No.	10,011	—36	—31
Hog sales, No.	15,540	—11	— 2

The Post Plans . . . .

Do you own securities of public utility companies? Next week you will be able to check over your investments, aided by the latest data on all the important companies. The Financial Post's annual Power and Public Utilities Supplement will provide the opportunity.

Shortly The Post will offer its readers a splendid series of articles on "Money." They have been written by an outstanding authority. They will not be technical nor abstruse but as simple and interesting as they will be well informed.

More of Canada's leaders of public opinion have expressed their views on "Canada and the Next Five Years," and their contributions to the series now running in The Post will appear in early issues. The series will conclude with a summary and analysis of the views expressed.

Inter. Paper Plans New Dams

From Our Own Correspondent

MONTREAL.—Canadian International Paper Co. intend to erect two dams to aid the driving of logs from Stuart Creek, in the township of Bourgeois, according to a notice in the Quebec official Gazette.

EATON'S ENGLISH TOPCOATS FOR SPRING

Made in England
Joseph May & Sons Ltd
BURBERRYS LONDON

English tailoring at its best . . . English style at its smartest . . . is offered by Eaton's in the full range of Spring topcoats recently received from overseas!

* * *

You will find in this Spring display, an unusually extensive choice in topcoats tailored by such famous English houses as Burberry and Joseph May! Sizes 36 to 46.

* * *

Shown above, at the left, is a Balmacaan model in grey, flecked with darker grey and brown, styled from all wool tweed with raglan shoulder and five button front, by Joseph May of England. The price, $35.00. Other coats by Joseph May, $35.00 to $45.00.

* * *

Above, at the right, is the "Weatherall" model by Burberry, in a broad criss-cross check, in two tones of grey. Cut raglan style, it is made from fine all wool tweed. Price, $50.00 each. Other coats by Burberry, $40.00 to $55.00.

* * *

Men's Clothing Department—Second Floor, James Street.
Also Obtainable at the Men's Shop, Eaton's-College Street.

* * *

These coats may be purchased on EATON'S Budget Plan if desired. Our Clothing Departments will be pleased to give you full particulars.

* * *

THE T. EATON CO LIMITED
TORONTO CANADA

Manitoba Power Covers Charges

Ten Towns Added to Service in 1935

The Manitoba Power Commission provided for all capital debt charges and reserve funds in the year ended November 30, 1935, in spite of poor business conditions due to crop failures in many parts of the province. Collections were satisfactory.

Profit and Loss Account
Years Ended Nov. 30

	1935	1934
	$	$
Income	908,972	819,472
Less: Oper. expenses	403,273	358,746
Interest	269,438	261,009
Depreciation	171,068	151,947
Sinking fund	47,912	47,489
Amortization	3,935	4,178
Reserve*	9,000	——
Net income	4,346	†3,897
Less: Prev. deficit	66,856	62,168
Adj. prior periods	8,514	791
Deficit forward	53,996	66,856

*For rate stabilization. †Loss.

Ten towns were added to the services during the year: Oak Lake, St. Eustache, Morris, Letellier, Dominion City, Gretna, Altona, Horndean, Rosenfeld and Plum Coulee. This required $163,000 for building 99 miles of new transmission lines. A part of the electrical distribution system in Portage la Prairie was modernized and rebuilt.

The commission is eliminating municipal contracts for the sale of power in bulk in favor of retail sale by the commission to the consumer. Only eight towns remain on the old bulk contract basis.

Obituary

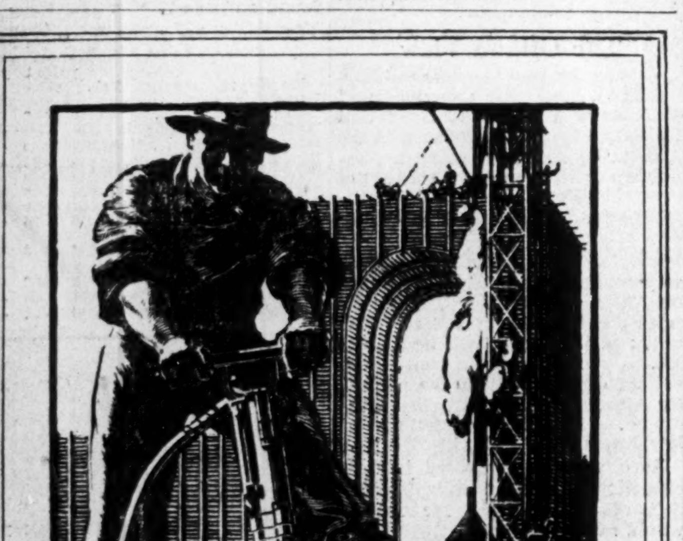
Harry U. Hart, vice-president and chief engineer of Canadian Westinghouse Co. Ltd., suddenly, at Hamilton. He was one of the leading electrical engineers in Canada.

John M. Kilbourn, prominent Montreal bank official. Associated with banking since 1888, Mr. Kilbourn was an executive of the legal department of the Bank of Montreal at his death.

A. W. Dingman, of Calgary, former president of Highwood-Sarcee Oils Limited, and head of the company which drilled the first well in Turner Valley in 1914. He was a former resident of Toronto, partner in Pugsley, Dingman & Company.

L. Edward Tate, former manager of the Molsons Bank and well-known businessman of St. Thomas, Ontario. He was born in England in 1852.

Toussaint Philie, one of the founders of Casavant Frères, organ manufacturers at St. Hyacinthe, Quebec, aged 75. He was manager of the firm.



DOWN TO BED ROCK

The Royal Bank is anchored to the bed rock of Canada. Its standing is based upon proven stability.

THE
ROYAL BANK
OF CANADA

Trade Gains Fail to Hold Jan. Figures

Business Activity Eases Despite Individual Advances

EXPORTS UP SHARPLY

Despite a few advances The Financial Post business index declined noticeably in February from the preceding month.

The outstanding feature was the marked gain in the shipment of Canadian produce to external markets. The index declined from 107.6 in January to 105.3.

Metal Exports Soar

The shipment of copper and nickel to external markets was a feature of the month. The export of copper was nearly 33,000,000 lb. being greater than in any other February. Comparable amounts were 21,600,000 lb. in February, 1935. Coupled with this was the heavy export of nickel which amounted to 17,088,000 lb., a new high in post-war history.

After adjustment for seasonal tendencies the index was 490 compared with the average for 1926 equalling 100. The index for January was 307.6 and the standing for February last year was 318. The preceding high point was in, April, 1935, when the index reached 451.5. The expansion in the operations of the nickel-copper industry reflects the heightened demand in European markets, large quantities of nickel being also shipped to the United States.

Gold Shipments Higher

Despite the strengthened prices of lead and zinc the movement of these metals to ultimate markets was of relatively moderate proportions. The shipment of gold from Canadian mines was 283,373 ounces, a seasonally adjusted gain being shown over January. The shipments in the first two months of the year were at a considerably higher level than in any of the last four years. Many new mines are now contributing their quota to the Canadian production.

Asbestos exports were much higher than in preceding years.

Manufacturing Uneven

While statistics for manufacturing are not quite complete it is evident some recession will be shown. The gain in the production of foodstuffs was very slight. The output of sugar was less than in the same period of 1935. An excellent showing was made by the meat packing industry, inspected slaughterings, after adjustment moving to a new high point for some years. A gain was shown in rubber imports, the quantity exceeding the same month in any year since 1931. About 181,000 pneumatic casings were manufactured in January.

Imports of raw and intermediate textiles for further manufacture showed some decline after seasonal adjustment from the preceding month but were still greater than in any February for several years. The index of raw cotton was 104.6 against 130.9 in January. Imports of wool were considerably heavier at 2,700,000 lb. against 1,900,000 in January.

Steel production showed some decline from the preceding month but still showed sharp gain over the levels of the Februarys of recent years. The trend of pig iron production was similar to that of steel ingots. The production of automobiles was slightly less than in January whereas a considerable seasonal gain would normally be expected. The decline was doubtless due to the heavy production during the last quarter of 1935 and the severity of the winter which interfered with distribution. The imports of crude petroleum showed a drop in February, the comparison with February, 1935, also being unfavorable.

A reactionary influence was the relatively low level of construction contracts awarded, the index dropping from 125.6 in January to 61.2. The gain in building permits was slight. The construction index dropped sharply from 98.0 to 52.6.

Trade Active

Gain was shown in carloadings which were slightly above February, 1935.

Imports showed a moderate gain after seasonal adjustment and were up about 12 p.c. over the same month of last year.

The spectacular feature was the gain in exports which amounted to $60,200,000 compared with $47,700,000 in February of last year, a gain of 26 p.c. The index after seasonal adjustment moved up from 84.3 in January to 99.3 in the month under review.

The reactionary cast of business operations in February was offset by a favorable financial background. Common stock prices and high grade bond quotations moved up appreciably in the second month of the year. Speculative prices were higher than at any time since the third quarter of 1930.

Dominion Government bonds have advanced markedly since September, 1935, practically regaining the extremely high level of the first part of last year. Notice deposits were larger at the end of January but the situation was somewhat blunted by the decline in demand deposits. The heavy sale of wheat resulted in a decline in current loans.

Major Canadian Economic Factors

	Feb., 1936	% change over Feb., 1936
Financial Post business index	105.3	+7.1
Wholesale prices	72.5	+0.8
Common stock prices	120.7	+37.5
Shs. traded, Mtl., No.	973,102	+341.6
Dom. bond yields	141.2	+3.4
*Bank deposits	110.0	+6.8
Mineral production:		
Copper exports, cwt.	329,518	+52.6
Nickel exports, cwt.	170,880	+54.2
Zinc exports .. cwt.	182,020	—38.5
Gold shipments, oz.	283,373	+15.3
Silver shipments, oz.	1,360,773	+35.2
Manufacturing production:		
*Flour prod. ... bbls.	981,988	—4.2
*Rolled oats prod., lb.	9,098,636	+8.6
Cattle slaught. .. No.	91,196	+9.4
Hog slaught. ... No.	245,049	—3.9
Raw cotton imp., lb.	11,,724,408	+89.3
Cotton yarn imp., lb.	447,412	+14.2
*Leather boot & shoe prod. .... pair	1,430,971	+14.1
Newsprint prod., tons	221,589	+22.9
St'l ingot prod., tons	93,285	+66.6
Pig iron prod., tons	55,751	+49.6
Auto. prod. .... No.	13,268	—26.8
Petroleum imp., gal.	39,654,916	—26.0
Crude rub'r imp., lb.	4,256,276	+21.9
Exports of planks & boards, ... ft.	95,357,000	+ 7.5
Contracts awarded ..$	8,227,700	—22.9
Building permits ....$	1,912,000	—46.9
Carloadings ....No.	180,232	+ 0.2
Imports ....$	41,597,398	+12.3
Exports ....$	60,196,198	+26.3

*Preceding month.

The Nation's Business

(Continued from page 1)

vantages of low cost production. They ship their periodicals into Canada practically without duties or taxes. Canadian periodicals are subject to extensive duties and taxes which impair their ability to meet the American publications on even ground.

Mr. King in 1930 sought to correct the situation by giving Canadian periodicals certain tariff drawbacks and lower taxes. Mr. Bennett abolished these concessions but put a duty on American magazines. Mr. King's idea was not to keep out foreign magazines but to help build up Canadian literature. Mr. Bennett's idea was to reduce the volume of literature imported in the hope that more Canadian literature would be stimulated.

The net result of the two measures was to decrease the circulation of American periodicals by about 60 per cent. Canadian periodicals stepped into the breach, spent more money on editorial and other services, produced finer and more appealing products and increased their circulations by about 60 per cent.

* * *

NOW Canadian periodicals enjoy neither the King nor the Bennett measures of equalizing their competitive position with imported periodicals. What they are asking from Ottawa is to be given relief from those duties and taxes that they pay and that their foreign competitors do not pay. As Canadian Magazine puts it:

> "The Canadian publisher is asking for no favors. He is ready to stand on his own feet and take his chances with any reasonable competition."

The case is really very simple. It must be one to appeal to our statesmen, our publicists, our educators and all those interested in building up Canadian spirit of national unity. It is obviously of great interest to Canadian manufacturers who are handicapped in promoting the sale of their products and the employment of Canadians because of the constant and virtually subsidized promotion of foreign products, styles and living habits through periodicals dumped in the Canadian market at far below their cost of production.

* * *

St. Lawrence Waterway

LAST week's St. Lawrence waterway message from President Roosevelt to the Great Lakes-St. Lawrence Seaway and Power Conference at Detroit indicates definitely that, if re-elected, the chief executive of the United States plans another drive to consummate this undertaking and that a new approach is being sought which the president seems confident will bring success.

It is nearly four years since the terms of the agreement between Canada and the United States were made public and in that time the vital considerations which dominate Canadian participation have moved not nearer but farther away from an affirmative answer as far as this country is concerned.

* * *

IN THE first place there are the economic considerations.

Canada is still as far away as ever from wanting to spend more money on capital equipment in canals. The seaway project has never been proved economically sound as a waterway, although eventually Canada may think it good business to complete the seaway if only to complete its huge investment already made in the Welland and other canals. The dominant consideration in the future, however, will probably be power, rather than navigation, as far as this country is concerned.

As to financial considerations, the facts are these:

When the 1932 agreement was reached, the plan called for a total expenditure by Canada, estimated at the time at $145 millions. Of this, $40 millions was to be paid by Ottawa and $105 millions by Ontario as its share of the cost of power development incidental to the scheme.

After the hundreds of millions of dollars which Canada has poured into its canal system the $40 millions item of federal expenditure did not seem unreasonable when distributed over a seven- or ten-year period. But the crux of the matter, financially, was whether or not Ontario was justified in spending between $100 and $120 millions to provide an ultimate 1,000,000 horsepower of electric energy, of which 300,000 h.p. was deliverable five years after the commencement of the project and the remainder in 10 years time.

* * *

HAVING listened to the bitter debate on cancellation of power contracts in Ontario during the past year it is ludicrous to think that Ontario will, in the near future, give anything but a negative answer to such a proposition. This means that either the federal government must find ways and means of financing the whole project (as far as Canada's expenditure is concerned) or else private enterprise and capital must be found to carry the lion's share of the cost.

Eventually Ontario will need this power and the need may arise much more rapidly than the Hepburn government imagines. But, meanwhile, President Roosevelt had better find who in Canada can subscribe $150,000,000 for such a project before he talks glibly about consummation of the St. Lawrence seaway.

Turgeon Starts Enquiry Into Textile Industry

Preliminary Work Completed and One-man Commission Starts Hearing Evidence

From Our Own Correspondent

MONTREAL. — The Dominion Government's investigation of the textile industry, through the medium of a Royal Commission under the direction of Justice W. F. A. Turgeon, began its investigations this week.

The commission came into being as a result of the closing down of the textile company's rayon plant at Sherbrooke. This took place shortly after the turn of the year for the reason that stocks on hand were too large. It was understood also that outlook was too uncertain to continue operations in view of the competition brought about by the importation of Japanese rayon. Under the new agreement between Canada and Japan it is possible to import rayon yarns and fabrics at a laid-down price which made it difficult, if not impossible, for Canadian manufacturers to compete.

Ottawa Takes Action

City of Sherbrooke appealed to the Dominion Government for help in the matter, as the closing down of the plant threw a large number of workers out of employment. The Government immediately appointed Mr. Justice Turgeon a Royal Commission to investigate the manufacture of rayons and cotton textiles.

The investigation was opened up at the beginning of this week, when the Royal Commissioner made a survey of the textile plant at Sherbrooke.

J. G. Kershaw, manager of the Sherbrooke branch of the Dominion Textile Co., first witness, outlined operations of the Sherbrooke plant, recalling that rayon had been first made in that mill last September, after it had moved from Verdun, Que. From time to time the company had installed new and modern equipment. Automatic spooling had been introduced, enabling the mill to dispense with the services of about 45 persons out of about 75 or 80, said Mr. Kershaw, and cut manufacturing costs. Depending on the type of goods being made, one person could look after from 12 to 40 "L" model looms, and about 50 "X" models.

When the plant was moved from Verdun to Sherbrooke a total of 60 families had been transferred, representing 219 employees.

City Exaggerated Number

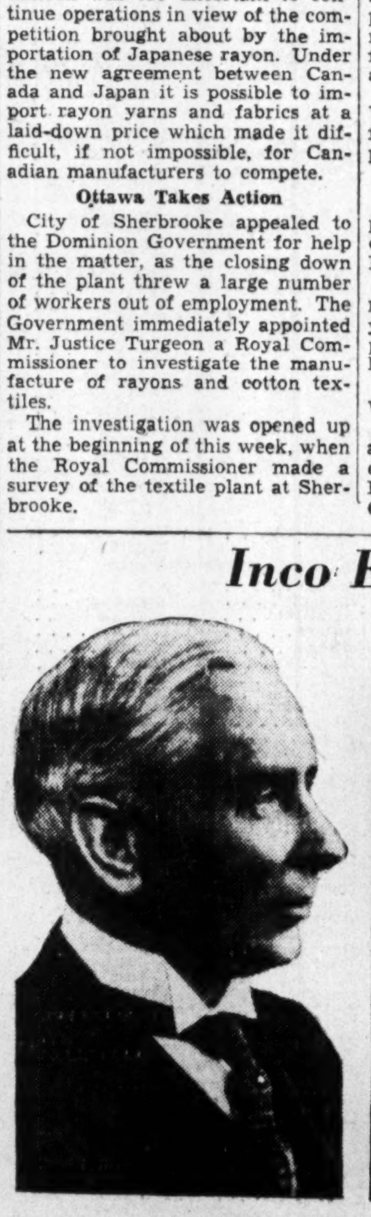
When the rayon mill was temporarily closed in January about 400 employees were affected, said Mr. Kershaw.

"Would it be true to say that in moving from Verdun to Sherbrooke you brought about a lower cost of production by reason of paying lower wages?" asked Mr. McRuer.

"I would say the difference was very small," witness replied.

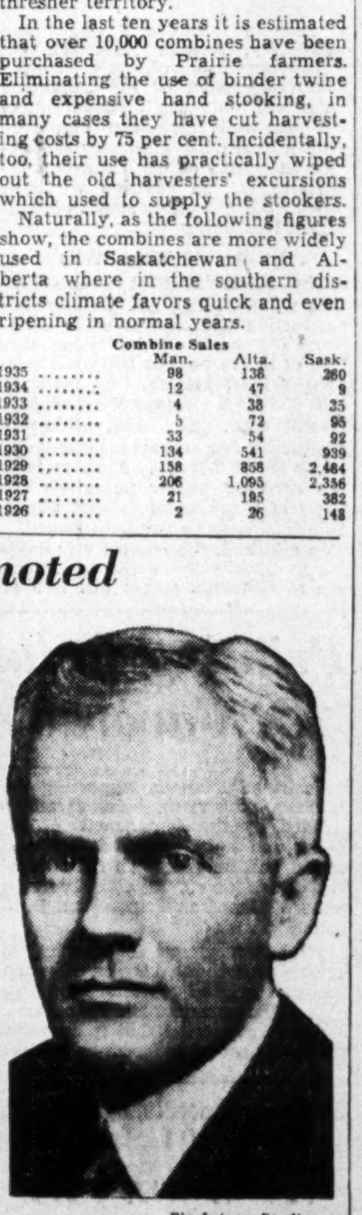
The public hearing is continuing at Sherbrooke. Afterward the commission will move on to Three Rivers and other textile centres in Quebec and Ontario.

Inco Executives Promoted



D. O. EVANS

DONALD MacASKILL



—Blackstone Studios.

DR. PAUL D. MERICA

International Nickel executives, who have, with Dr. John F. Thompson, new executive vice-president, been appointed vice-presidents. Dr. Merica was formerly assistant to the president. Mr. MacAskill continues as general manager in charge of Canadian operations with headquarters at Copper Cliff. Mr. Evans is delegate director of the Mond Nickel Co.

REQUEST HITS FARM ORDERS FOR MACHINES

(Continued from page 1)

New branch houses are appearing and arrangements have been made for heavier stocks of machinery and parts.

Peak sales in Saskatchewan, during 1928 ranged between $15 and $20 millions but since then a $4 million annual turn-over has been the average.

Need New Machinery

At present it would take many millions of dollars to put Saskatchewan farm machinery back on a 100 per cent basis. Five years of managing to get along with obsolete equipment has placed farm equipment at a low mark as regards efficiency. Therefore when salesmen report prospects in quantity they are reflecting the condition of present equipment.

Increased prices are not expected to have much effect on sales. Farmers, if they do not know, will be told that when tariffs were raised in 1930, retail prices remained as before the raise was clamped on. Dealers say a price rise was bound to come regardless of the latest tariff reduction and that the 1936 prices would have been higher in proportion as the tariff was reduced. The tariff cut came along in time to keep down the raise to its present figure.

Laid Down at Low Cost

Dealers also point out the fact that per pound farm machinery is laid down in the west at a lower rate than any other type of machinery. Distressed sales are a thing of the past and a more equitable return should be available in their estimation.

Comparison with prices of bygone years is met with the contention that a unit of farm machinery today has a longer life than any in the past. This longer life has been estimated at anywhere from 50 to 70 per cent.

Best Since 1930

By R M. SCOTT

WINNIPEG—Sales of tractors in Western Canada showed the highest volume in 1935 than in any year since 1930. Thresher sales were reduced compared with 1934. To make up for this shortage, however, sales of combines were up over 7 times the 1934 figure and were also the largest total sold in the Western provinces since 1930.

In the figures presented no account was taken of second hand or rebuilt machines. They are for new units only and cover the sales made in the four western provinces.

Good Prospects

With this promising performance behind them the farm implement companies, such as Massey-Harris, Cockshutt Plow and International Harvester, in addition to other firms which concentrate business particularly in the West, are looking for a very good year in 1936. Not only is the prospect bright for sales of new machines, especially tractors, but dealers point out that during 1935 much effort was concentrated on cleaning up the rebuilt and second hand machines standing around. This stuff will be out of the way, largely, in 1936 and the field left open to new machines. The sale of threshers, of course, depends almost entirely on the presence or indication of a crop.

Tractor Sales

The up and downs of tractor sales throughout the Prairie Provinces in the last 10 years are shown as follows:

Tractor Sales

	Man.	Alta.	Sask.
1935	550	907	669
1934	457	603	395
1933	223	307	232
1932	195	404	279
1931	186	334	267
1930	1,541	3,100	4,350
1929	2,423	5,228	6,906
1928	2,209	6,231	8,703
1927	1,414	2,885	5,727
1926	1,498	1,311	3,704

Threshers versus Combines

Threshers still continue to be bought and used in those large sections of the West where the harvest is uneven in ripening and therefore not suitable for the average combine. Nevertheless the latter machines, which are capable of cutting and threshing in one operation or when the grain is on the green side may do the job in two separate operations, have steadily cut into the old thresher territory.

In the last ten years it is estimated that over 10,000 combines have been purchased by Prairie farmers. Eliminating the use of binder twine and expensive hand stooking, in many cases they have cut harvesting costs by 75 per cent. Incidentally, their use has practically wiped out the old harvesters' excursions which used to supply the stookers.

Naturally, as the following figures show, the combines are more widely used in Saskatchewan and Alberta where in the southern districts climate favors quick and even ripening in normal years.

Combine Sales

	Man.	Alta.	Sask.
1935	98	138	360
1934	12	47	9
1933	4	38	35
1932	5	72	95
1931	33	54	92
1930	134	541	939
1929	138	858	2,484
1928	206	1,095	2,356
1927	21	185	382
1926	2	26	148

Head Office Montreal

Modern, efficient banking service —backed by resources, experience and reputation of 118 years' successful operation.

BANK OF MONTREAL
Established 1817
TOTAL ASSETS IN EXCESS OF
$750,000,000

Building this Spring?

Poring over specifications, and blue-prints and plans? It's exciting business. And through every step of construction, of decoration, of furnishing, Simpson's Special Contract Department is at your service. It will take charge of painting and construction. It will plan home furnishings to suit your taste and pocket book. It will suggest alterations which will give your present residence a new lease on life. And it will design and construct special equipment for hospitals, theatres, hotels, churches and apartments. If it's a "Special Contract", it's in safe hands with Simpson's. Contract Department — 5th Floor.

Simpson's

Radio Manufacturing

Saskatchewan and Alberta are producing and buying 23 per cent of radio receiving sets made and sold in Canada.

Public Utility Earnings

Southern Canada Power

	1935	1934
	$	$
February:		
Gross income	174,126	176,733
Oper. expenses	72,172	70,246
Net income	101,954	106,487
Five Months:		
Gross income	909,063	913,497
Oper. expenses	360,304	337,390
Net income	548,781	536,107

B. C. Power

	1936	1935
	$	$
February:		
Gross earnings	1,179,897	1,080,446
Oper. expenses	804,917	712,219
Net earnings	374,980	358,227
Eight months:		
Gross earnings	9,265,133	8,706,232
Oper. expenses	6,233,116	5,768,218
Net earnings	3,032,017	2,938,014

Brantford Bonds Bring Good Price

City of Brantford has sold to R. A. Daly & Co. Ltd., Toronto, $226,501 of debentures at an average cost to the city of 3.60 per cent. This is the lowest cost at which Brantford debentures have been sold.

Tenders for the issue had been called for March 20, but due to the unsettled condition of the bond market as a result of the European situation it was decided to cancel the call for tenders. A voluntary bid, however, was received from R. A. Daly & Co. on the date on which the tenders were advertised, and the City Council decided to accept this bid. The debentures are divided into four allotments. Details are as follows:

Brantford Debentures

Amt.	Coupon	Due	Bid Price	Yield
$	%		$	%
52,500	3½	1936-1940	100.12	3.45
52,500	3½	1941-1945	100.27	3.62
50,000	3½	1936-1955	98.27	3.70
71,501	4	1936-1945	101.73	3.66

The "NO DELAY" WAY to EUROPE

WHEN you go to Europe, go swiftly. Sail Canadian Pacific. When your train pulls in you'll find your ship waiting for you. You'll just have time to settle yourself comfortably before the mooring lines are cast off and you are on your swift and pleasureable way. The journey is a holiday in itself — either on the fast "Duchess" ships or, at lower cost, on the "Mont" boats.

Sailings each week from SAINT JOHN and HALIFAX
landing at
GLASGOW, BELFAST and LIVERPOOL
Full information from your local travel agent, or
E. F. THOMPSON, Steamship General Agent
Canadian Pacific Building, Toronto

Canadian Pacific
WORLD'S GREATEST TRAVEL SYSTEM

Revision of B.N.A. Act Seriously Prejudiced By Maritimes' Stand

Changed Attitude Essential to Avoid Constitutional Stalemate

AWAIT COURT DECISION

From Our Own Correspondent

OTTAWA.—Prospect for constitutional reform is becoming less promising as discussions between the Dominion and the provincial governments proceed.

Nothing short of a most unexpected change of heart on the part of the maritime governments can avoid stalemate and failure.

Decision of the Supreme Court that all of the Bennett New Deal statutes are ultra vires of Parliament might modify the position—thereby revealing the tightness of the straitjacket now binding the country—but even this might not swerve provincial delegates from their uncompromising defense of the existing constitutional set-up.

The Supreme Court is expected to hand down its decision on these statutes early in April and, pending this decision, the constitutional discussions have been adjourned.

Starting out last December with great promise the drive has steadily lost force and direction.

New Brunswick First

To the original proposals, New Brunswick offered resolute but lone-handed opposition. It was argued by the Dysart government that the present constitution contained valuable guarantees to the province which change might imperil.

Quebec supported the original proposal but later developments tend to throw great doubt upon the reform tendency of the Taschereau government.

With an apparent majority of 8 to 1 for reform along these lines, the constitutional conference adjourned last December leaving to the Dominion and provincial law officers the task of fitting the British North America Act into the foregoing classifications.

Federalist Tendencies

When this was being done, Quebec's attitude was revealed as little changed from earlier days. It is a guess, but a shrewed one, that the Quebec government has been alarmed at the increasing federalist tendency of the Privy Council.

So long as Lord Haldane dominated the last court of resort, Quebec was quite agreeable to leaving the constitution at Westminster. Lord Haldane was strongly a provincialist in his reading of the B.N.A. Act.

With Lord Haldane's death, however, the court began to swing to the federalist position and judgments, such as were given in the aviation and radio cases, strongly favored Dominion as against provincial jurisdiction.

New Attitude

It seems that the Taschereau government decided it would be much better to transfer the constitution to Canada and make all amendments of consequence subject to provincial veto. This attitude was disclosed when the law officers undertook to deal with the various sections of the B.N.A. Act.

Quebec demanded that the minority right class of amendment (requiring unanimous provincial approval) be enlarged to include property and civil rights, matters of a local or private nature—the very kind of amendments hitherto regarded as being general in their nature.

It became apparent that if Quebec had its way, the country would escape out of one constitutional straitjacket into another and that the second would be much tighter than the first.

Maintain Rights

As time passed, the New Brunswick opposition took definite form as a Maritime Rights movement in that province.

It spread to Nova Scotia and it is now plain that the Macdonald government is sufficiently impressed by the political dangers involved to modify its original position. So is the P. E. I. government.

All efforts to placate Maritime sentiment have failed and it is very doubtful if the Dominion is prepared to proceed on any course calculated to encourage a Maritime Rights movement. It is felt that the Dominion must appear to be applying pressure on the provinces if such a movement is to gain momentum. Rather than essay such a rôle, the Dominion will probably allow matters to drift.

No Changes Made

News reports of developments at the adjourned conference which met early in March have been most misleading. These reports announced the re-writing of the constitution and a change in name to the Canada Act.

All that is being done is this: the original B.N.A. Act and the various amendments to it are being consolidated. No change is being made.

Further developments will not take place until the conference reassembles after the Supreme Court decision is handed down—probably late in April.

Regardless of this decision and the re-assembly of the conference, it is now apparent that the opportunity for major constitutional reform has been lost.

Western Grocers Pays 50c Common Dividend

Western Grocers Ltd., Winnipeg, has declared a dividend of 50 cents a share on the common stock payable April 15 to shareholders of record March 20. This maintains the rate of $2 a share annually established in 1935.

MACDONALD'S EXPORT
Gold Standard
Made with AQUAFUGE MOISTUREPROOF PAPER
MADE FOR THOSE WHO LIKE A HIGH GRADE ENGLISH CIGARETTE
EXPORT
W. C. MACDONALD INC.

Bank of Montreal Manager

R. J. WILLIAMS

Formerly manager of the main branch of the Bank of Montreal in Toronto, who has been appointed manager of the main office in Montreal.

Power Output Moves Upward

Maritimes Only Area to Record Lower Electric Power Consumption

From Our Own Correspondent

MONTREAL. — Central electric stations in Canada produced 2,091 million kw.h. during January last, as compared with 2,012 million kw.h. for the same month a year ago, says a Dominion Bureau of Statistics report.

For the first time in many months, Quebec did not share in the increase, that province having reported a decline in output last January compared with the same month a year ago. So also did the Maritime Provinces, while the other areas reported an increase.

Quebec Records Decline

Particulars of output during January 1935 and 1934 follow:

Central Station Output
January
(Thousands of Kilowatt Hours)

	1935	1934
Maritimes	56,159	68,691
Quebec	1,045,986	1,082,127
Ontario	675,494	579,216
Prairies	180,950	155,934
B. C.	132,452	126,774

Consumption Higher

Consumption of firm power, or output less exports and deliveries to electric boilers, amounted to 1,414 million kw.h. This figure has been exceeded only in October, 1935.

Following are the consumption figures for the five economic areas for January, 1936 with comparative figures for the same month in 1935.

Consumption of Energy
January
(Thousands of Kilowatt Hours)

	1935	1934
Maritimes	55,234	67,237
Quebec	865,741	836,584
Ontario	738,665	712,395
Prairies	182,435	157,367
B. C.	130,865	125,281

Exports to the United States increased from 113 million kw.h. in December to 118 million kw.h. in January; deliveries of surplus and off-peak power to electric boilers dropped from 633 million kw.h. to 558 million kw.h. during the same period.

Montreal Needs Greater Revenue

Expenditures Pared Below Normal in Order to Balance Budget

While estimated expenditures are admittedly $2 millions short of what is normally required to conduct the city's affairs, Montreal's 1936-37 budget has been balanced at $48,346,523.

Since the city's charter does not permit an unbalanced budget to be placed before the city council, expenditures of certain departments were pared below normal in order to bring the budget into balance.

The following departments have been reduced below normal: finance, public works, health, police and fire.

"Legislation," says the council committee, "will be submitted to the provincial legislature at its coming session, either for the purpose of increasing the city's revenue, or of relieving in whole or part the city from from certain charges which are too onerous and which burden abnormally its budget and which should be met otherwise than out of the municipal treasury."

It is also pointed out that of the $48,346,523 there is only 26 per cent, or $12, 942,663 which the council has the power to alter. The remainder is made up of fixed charges and uncontrollable expenditures.

Social Service Costs Mount in Vancouver

Social service costs are becoming increasingly important items in municipal budgets in Canada. An analysis of the expenditures of Vancouver in 1935 shows that more than 30 cents of every dollar collected in taxes went for charges such as unemployment relief, health, hospitals, etc.

The total cost of all social services to Vancouver last year was $2,648,430.

Royal Bank Holds Lien On Albertan

Share-selling Newspaper Venture Puts Assets at $675,000

WHAT WERE PROFITS?

Documents filed with the Alberta Board of Public Utility Commissioners reveal the basis upon which assets of The Albertan, "Calgary's Social Credit Newspaper," are valued at $675,000.

The Albertan Publishing Co. is named as vendor of properties in an agreement concerning the recent offering of $700,000 of preferred stock in the newspaper venture to the investing public.

Bank Mortgage

It is revealed in the agreement that The Royal Bank of Canada in January, 1936, had a mortgage against the real property of the vendor company. The size of this liability, however, is not disclosed.

The significance of this is that the bank would not ordinarily lend on mortgage. It can only acquire a lien of this sort on real property as additional security after a loan has been made. This usually happens after a loan has become "slow" and is considered uncertain of full collection.

The banking situation is important in connection with the share offering because the asset values as at Sept. 30, 1935, as supplied to The Financial Post by the Board of Public Utility Commissioners, do not reveal what encumbrances there may be against the assets.

It will be noted that the values, including goodwill, etc., add neatly to $675,000 in the following:

The Albertan Publishing Co., Ltd.
Fixed Assets as at Sept. 30, 1935

	$
Newspaper plant, add. at cost	219,186
Radio plant	10,294
Telephone book plant	488
Commercial printing plant	35,798
Bldg. site and "Albertan Block"	235,442
Radio property	2,408
Toronto office equipment	235
Automobiles	860
Goodwill, franchise, circ. list, lib. morgue, radio lib., etc.	170,289
Total	675,000

Goodwill Value

A footnote states that the figures are taken from the records of the company, and represent actual costs with the exception of goodwill, franchise, etc., which is carried on the books at $150,000. The statement is signed by A. L. Stevens, chartered accountant. No indication is given in the statement of what the depreciated value of the assets is.

Purchase Agreement

Albertan Publishers Ltd. is the firm that is offering its preferred shares. It is the purchaser in the agreement to buy out The Albertan Publishing Co. Ltd., the present owner of the morning newspaper, The Calgary Albertan.

The indebtedness of the vendor company is revealed in clause 15 of the agreement, which reads, in part:

"The purchaser (Albertan Publishers) shall be at liberty to pay to The Royal Bank of Canada, or to the creditors of the vendor (Albertan Publishing Co.), such portion of the aforesaid purchase price as may be necessary to discharge the debt of the vendor to the said Royal Bank of Canada, or to the vendor's creditors, and to discharge the mortgage now held by the said Royal Bank of Canada against the real property of the vendor and such payment or payments shall be deemed to be in satisfaction pro tanto of the purchase price."

Since real estate has been mortgaged to the bank creditor, how profitable has this venture been?

Made Partners

GEORGE SCOTT, C.A.

DOUGLAS J. SALES, C.A.

Rutherford Williamson & Company, chartered accountants, Toronto and Montreal, announces that George Scott and Douglas S. Sales, who have been associated with the company since 1922 and 1918 respectively, have been made junior partners.

Edmonton Hit By Huge Debt

Comptroller Says City is "Perilously Near to Financial Collapse"

With a debt of over $300 per capita, Edmonton is "perilously near to financial collapse," according to a statement made by Comptroller John Hodgson at a recent meeting of the Edmonton city council.

Grave difficulties have been encountered by Edmonton in striking the 1936 tax rate. The budget as presented to the council calls for an expenditure of $4,677,796, after allowing for postponement of certain sinking fund obligations and capitalizing $250,000 of the relief bill. A tax rate of 60 mills will be necessary to meet this expenditure unless the city budgets for a deficit. A strong section of the council is in favor of leaving the tax rate at the 1935 rate of 55 mills while another insists the budget must be balanced.

Debt and Charges

Much is being made of the fact that Edmonton during the past five years has met maturing obligations amounting to $9.9 millions. This does not mean, however, that the city has reduced its debt by that amount. During the same period Edmonton has sold $4.7 millions of new debentures and increased its floating debt by about $2 millions. In addition, it has drawn on the reserve funds of its utilities to the extent of half a million dollars. Debt charges have increased from $1.2 million to $1.7 million annually.

In meeting maturities of almost $10 million dollars the city had to sell a large part of the liquid securities in its sinking fund. The liquidity has been further affected by the sale of large blocks of the city's own bonds to sinking fund in recent years. As in the case of other western municipalities, this has enabled the city to postpone financial difficulties.

The investor may ask: Why are not earnings in the past detailed in literature offering shares?

Past earnings may, of course, not be an entirely reliable guide as to the investment merits of Albertan Publishers Ltd. If the newspaper becomes the official organ of the Aberhart Social Credit government, it is possible that it might add to its revenue from this connection.

Gair Acquires More Concerns

U. S. Paper-box Company Expands Its Canadian Operations

Further expansion in Canada of Robert Gair Co. Inc., large United States paper box manufacturers, is announced, agreement having been entered into to purchase the physical assets of four additional companies and controlling interest in a fifth.

The new acquisitions are Dominion Boxboards Ltd., Fibre Boxes Ltd., York Paper Mills Ltd. and Firstbrook Boxes Ltd., all of Toronto. Controlling interest has been purchased in Dominion Envelope and Cartons (Western) Ltd. with plants at Winnipeg and Vancouver. Dominion Envelope and Cartons Ltd. and Canadian Wrappers Ltd., which is owned by interests associated with Dominion Boxboards, are not included in the purchase.

With acquisition of these companies, Robert Gair Co., Inc., through its subsidiary, Gair Co. of Canada Ltd., is strongly entrenched as an important factor in the paper box industry in Canada. On completion of the present deal, Gair Co. will own outright eight Canadian paper box companies and control five other plants. It is possible that further companies may be acquired in the near future, The Financial Post is informed.

Acquire Firstbrook's

Bondholders of Firstbrook Boxes Ltd. at a meeting on March 13 approved the Gair offer for acquisition of the company. Firstbrook bondholders, upon ratification of the deal by the courts, will receive $80 principal amount of 40-year six per cent income notes of Robert Gair Co. Inc. for each $100 of Firstbrook bonds held. Bondholders have the option of receiving $50 in cash in place of $80 of income notes.

The assets of all Canadian companies acquired are to be transferred to Gair Co. Canada Ltd. Charters of acquired companies are to be surrendered. Investment in Canada of Robert Gair Co. amounts to about $3.5 millions.

Canada's exports of fresh fruits in December last had a value of $1,550,719, while imports were valued at $1,086,388.

Montreal Power Output Expands

Both Power and Gas Divisions Report Gain in February

From Our Own Correspondent

MONTREAL. — Montreal Light, Heat and Power Cons. reports electric output during February of 93 million kw.h. as against 84.6 million kw.h. in February, 1935.

For the first two months of the current year, cumulative production was 191 million kw.h., an increase of 5.72 per cent over the 1935 figure.

February figures this year have been favorably affected by an extra day's operation. After due allowance for the additional day, the output for the month was still approximately 6 per cent larger than a year ago.

For the first time in many months, the Gas Division reports an increase in production. Output totalled 416.6 million cubic feet in February, as against 401 million cubic feet in the same month last year.

How can collections be speeded up?
We suggest you make Drafts on your customers.
Prompt Attention to Drafts Received for Collection
IMPERIAL BANK OF CANADA
HEAD OFFICE - TORONTO
BRANCHES THROUGHOUT CANADA

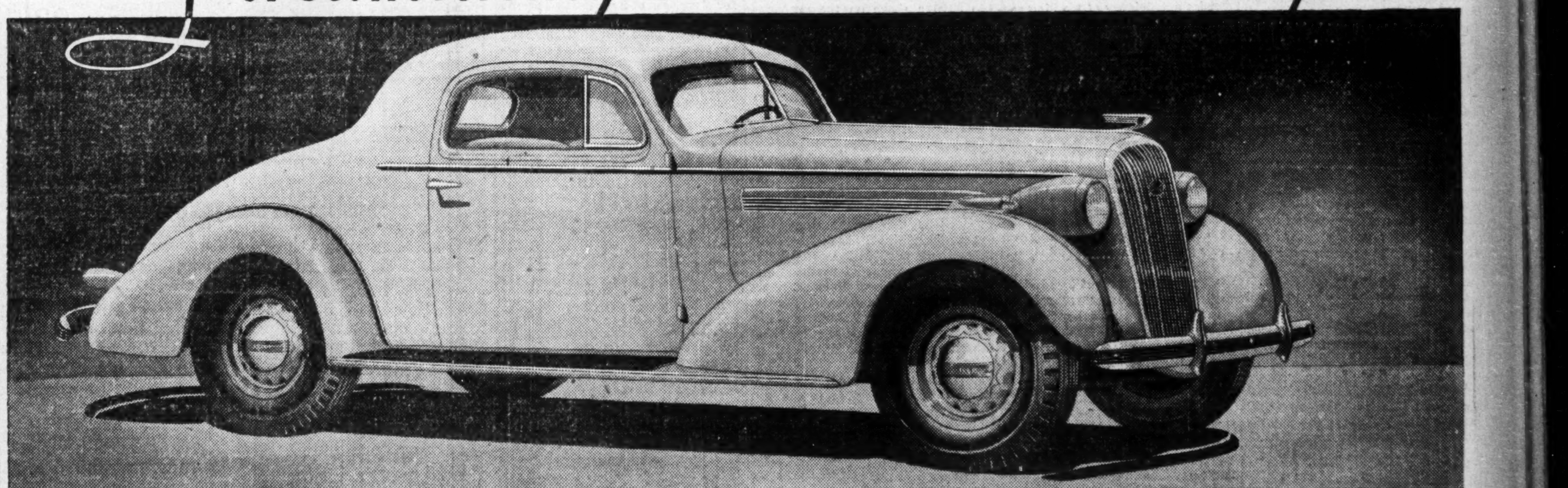
THE MARCH OF TIME
brings
Multiscrip
MADE IN CANADA
MIMEOGRAPH
A NEW AND GREATLY IMPROVED DUPLICATING PAPER BY Eddy's

Multiscrip is a duplicating paper that will best serve all your needs. In it have been successfully combined a smooth, uniform surface and good absorbency, giving clean-cut impressions while at the same time reducing offsetting to a minimum. The surface is such that it takes pen writing readily and prevents fluff accumulating on your stencils — an important advantage on long runs.

No matter what the make of your duplicating machine, Multiscrip will feed right, run right and look right on every job. Available from branches and distributors throughout Canada, in white and four attractive colours: canary, pink, blue and green, in standard weights. Also heavy weight white. Write for folder showing samples of actual work done on Multiscrip.

THE E. B. EDDY COMPANY LIMITED
HULL - CANADA

Streamlining Matured to Beauty...



McLAUGHLIN-BUICK

LOOKING at the new McLAUGHLIN-BUICK for 1936, you see more than a beautiful motor car. You see the mature perfection of the automotive streamline art. . . . The very noticeable thing is the *consistency* of McLAUGHLIN-BUICK styling. For this distinguished appearance doesn't spring from any sudden change or radical excursion. Rather, it's the beautiful result of McLAUGHLIN-BUICK'S consistent policy of combining the new and popular trend with designs of proved utility and taste. . . . Fisher No-Draft Ventilation remains a leading feature of the new Turret Top Fisher Bodies, of course. The custom-built interiors show even greater roominess and finer upholstery materials. . . . Other features include more powerful Valve-in-Head engines, Tiptoe Hydraulic Brakes, Knee-Action, Torque Tube drive and Centre-Control steering. New 7% GMAC purchase plan, simple as A-B-C to figure out yourself.

$1233 and up, delivered at factory, Oshawa, Ont. Fully equipped. Freight and government registration fee only extra.
(Series 44 2-pass. coupe)

Consider the Company Back of the Car
M-136

See, Drive and Compare the Style Leading McLaughlin-Buick Models
On Display at Your Local Dealer's Showroom

Investment Trends

Stocks in Trading Range Capital Goods Sluggish

Wonder Grows as to Which Way Stock Market Cat Is Going to Jump — War Fears Abate

Recent unsettlement of the rise in stock prices leaves them in what is technically called a trading range. The situation is not unlike that of late autumn from which a considerable rise developed. At present, however, there is greater apprehension of a substantial decline setting in.

Europe remains bullish on North America, but further grave political disturbances would probably bring temporary liquidation of securities on this continent.

As indicated on page 1 there may be a field day coming for agricultural implement makers, beclouded, however, by possibilities of political baiting of the industry.

Extent of Decline

SHARE prices have recovered from their recent lows and hover between those levels and the highest for the year. Market averages are caught, like an elevator, between floors. The price trend for several weeks ahead might be established by a decided move either up or down out of this range.

One of the most encouraging signs of underlying strength is the diminution of volume when stocks have declined.

What analysts have been watching for is an indication of a full "corrective" recession from the gains of the past year. Such a decline is the natural reaction to a prolonged rise. If it were to develop from present levels, the "possible" limits of recession would appear to be approximately as follows:

Trading Range:	—Industrial Shares— Tor. Stock Exch.	Mtl. Stock Exch.	N.Y. Dow-Jones	N.Y. Dow-Jones rails
'36 High	143.48	78.4	158.75	51.27
Mar. low	127.74	71.6	150.42	45.96
'35 Low	97.90	54.8	96.71	27.31
Possible	120	67	130	37

Investment stocks returning satisfactory yields continue in demand and would stand up well even if a tendency to softness develops. Moreover, an intermediate recession would not seem likely to be more than an interruption in the long-term trend which still appears to be upward.

* * *

Buy Into Canada

ONE important reason for firmness of Canadian securities has continued to be the influx of funds from the United States and Great Britain. In January, 1935, $24 millions net of Canadian securities were bought by outsiders, the Dominion Bureau of Statistics reports. There were sharp increases in net purchases by both British and American investors as shown below:

Net Purchases of Canadian Securities
(In millions of dollars)

Purchasers:	Jan., 1936	Dec., 1935	Jan., 1935
In U. S. A.	16.3	5.9	*7.0
In Britain	8.0	3.1	1.8
Elsewhere	*0.3	*0.3	*0.1
Total	24.0	8.7	*5.3

*Net sales to Canadians.

Most of the trading was in bonds, but there was substantial buying of Canadian stocks too. Anyway the effect of bond-buying by outsiders is to release funds of the Canadian sellers who thereupon buy stocks.

The noteworthy point is that these outside purchases bolster all security prices here and that any occurences that scare money away can quickly undermine Canadian prices.

War and Stocks

WHEN the Great War was declared, one immediate result was liquidation by Europeans of their North American securities. Withdrawals of funds caused sterling to rise to $6.50 in unofficial dealings.

War may not be imminent now and the effects might be different anyway. Europe still holds Canadian and American securities but to a less dominant extent that 22 years ago. And the capacity of this continent to buy back its own debt is enormously greater than it was in 1914. European unrest, however, is fully capable of causing severe disturbances in stock and bond markets.

One of the effects of war would undoubtedly be to cause rising commodity prices. Another would be to leave Europe bankrupt or so close to complete insolvency that Canada and the United States would suffer economically even without doing any actual fighting.

* * *

Sluggish Area

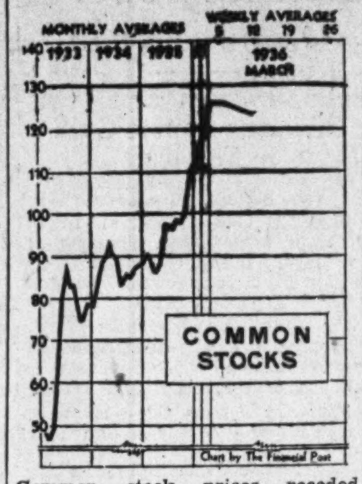
CORPORATION reports that have already appeared indicate that there is some slight tendency for capital goods industries to revive. Makers of machinery, semi-permanent equipment, building materials and so on, have a long way to go, however, to a real recovery. This week's reports by Canadian General Electric and Canadian Westinghouse Co. both refer to the fact that volume has been chiefly in light appliances, rather than in heavy foundry lines. D. H. McDougall, president of English Electric Co., however, comments:

> "There seems to be definite indication that the period of deferred purchases of capital goods in Canada, due to lack of general business expansion since 1929, has about come to a close."

It is noteworthy that while benefits from increasing use of electricity may be felt by power equipment firms, other sluggish capital goods industries are not affected by the same forces. Industrial plant expansions; new housing; farm buying of implements; these are among the larger fields in which real recovery has yet to develop.

While some capital goods recovery may come this year, it still seems that it may be a year or two longer before deferred demand gathers momentum. It appears to be largely a matter of time.

Common Stocks Down



Common stock prices receded sharply in the week ended March 12, as shown in the above graph of the Dominion Bureau index. This may mark a change in the long and pronounced upward trend. Comparative indices are tabulated on this page.

Can. Canners Calls Meeting

Plan Convertible Bonds of $5 Millions and Stock Increase

Canadian Canners Ltd., Hamilton, plans a new issue of $5 millions of new first mortgage bonds carrying not more than four per cent interest and convertible into common shares at the holder's option.

A special meeting of shareholders at Hamilton has been called for March 24 to secure authorization for the bond issue and to increase the authorized common stock from 200,000 to 400,000 shares.

To Refinance 6 Per Cent Bonds

Primary purpose of the new bond issue is to refinance two issues of six per cent bonds now outstanding. Some $3.3 millions will be required for this purpose.

Aside from a saving in interest charges, the refinancing would remove the company's liability to pay interest in U. S. dollars or in sterling. This "three-payment" feature has been costly to the company at times when foreign exchange rates have fluctuated widely.

Convertible Into Common

The proposed new bonds are to be convertible into common stock at the holder's option; $100 of bonds for five shares of stock up to Oct. 1, 1943, and four shares thereafter until maturity.

In order to provide for possible conversion of the proposed bonds, it is necessary to increase the authorized common stock from 200,000 to 400,000 shares. There are 137,784 common shares outstanding at present.

If shareholders approve the necessary by-laws, it is expected the six per cent first mortgage bonds of Dominion Canners will be called April 1 for redemption at 110 next Oct. 1. Six months' notice is required. The six per cent bonds of Canadian Canners, due 1950, are callable at 105 on 60 days' notice.

Ritchie & Ramsay To Redeem All Bonds

Ritchie & Ramsay Ltd., subsidiary of Alliance Paper Mills Ltd., which in turn is controlled by Howard Smith Paper Mills Ltd., is redeeming all of its 7 per cent first mortgage bonds due Oct. 1, 1944. The bonds have been called for redemption at 105 and accrued interest on April 1 next.

Investment Notes

Economic Investment Trust—Buyers up to $22 a share have a yield of four per cent or better on the increased dividends this year. While the shares are inactive they have the attraction, in a recovery period, of the leverage provided by a senior bond issue. Thus the common stock shares more than proportionately in any increased revenue. The maximum dividend was $2.50 a share paid before the depression.

* * *

Canadian Canners—Proposal to issue convertible bonds would reduce the company's fixed charges and provide another popular investment security. Any dilution of the common by the conversion process would hardly be less favorable than the mortgage itself and would probably not occur until earnings and dividends on the common were substantial.

* * *

Canadian Dredge — Pronounced strength of the stock is based on the unusually high earnings that will be shown in the forthcoming report.

* * *

Canada Bud Breweries—Record high sales in the abnormally cold January and February months augur well for the year's results.

* * *

English Electric—Plans to start manufacture of incandescent lamps may eventually tend to make the company's shares a more stable equity investment than in the past.

* * *

Bank of Canada—Strength of the shares is attributable to official confirmation of The Financial Post's recent forecasts that present shareholdings will not be disturbed but that the Government will acquire control by issue of additional shares. The yield is nearly four per cent, compared with three per cent on government bonds.

* * *

Banks' Earnings—Adoption of uniform service charges, for issuing cheques and so on, marks an effort by banks to maintain earnings in the face of falling loans and reduced interest rates on investments.

* * *

Brazilian Traction—Directors met last week without discussing a dividend on the common stock. This was a decided disappointment to groups that have been prominent in buying the shares.

* * *

North Star Oil—The full dividend of 35 cents a share is being maintained on the $5 preferred shares despite a deficiency of working capital. In 1935, earnings were 52 cents per preferred share. Recovery of western farm buying power would put this oil firm on a much stronger earning basis.

* * *

Canada Packers—Declaration of the regular dividend payable April 1 is no surprise since it was decided a year ago to maintain the $3 rate. In view of good results for the past year, however, the market will be disappointed if dividend policy for 1936, soon to be decided, is not even more generous.

* * *

Canadian Investment Fund—"The soundness of the securities in the portfolio speaks well both for the safety of present dividends (14 cents a share) and the prospects of increased disbursements over a reasonable period of time," states L. G. Beaubien & Co.

* * *

Dominion Stores—Discriminatory taxation of company-owned chain stores has led to talk of the company changing to manager-owned stores. Official quarters deny any plans of this kind. Taxing authorities, it is stated, would spot such evasion and rearrange taxes accordingly to catch voluntary chains.

* * *

Tip Top Tailors—Sales are reported running 15 per cent ahead of last year, when earnings amounted to $9.99 a share on the preferred stock and 30 cents a share on the common.

* * *

Lake Shore Mines—Chartered Investors Inc., U. S. investment trust, bought 500 shares net in 1935, which was its total holding at the end of the year.

* * *

Steel of Canada—Further expansion in earnings of Steel Co. of Canada in 1935 reflected a higher rate of operations and larger sales. Improved facilities for manufacture of sheet steel enabled the company to broaden its range of products and provided additional tonnage. During the year costs of coal advanced, also prices of various materials and supplies, and there were increased taxes and wages. Notwithstanding, stable selling prices were maintained with the object of encouraging consumption to the full extent.

* * *

It was incorrectly reported in this column last week that L. M. McCarthy's holdings of 1,000 shares of Hiram Walker-G. & W. common represented a decrease of 300 shares; it was an increase of 300 in January.

Significant Investors' Index Numbers

1926 = 100

	Iron and steel	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied products	Beverages	Total industrials	Total utilities	Total co's
No. of Securities	15	6	5	5	11	18	9	89	23	112
1929-35:*										
High	388.9	113.4	273.4	423.5	113.5	197.8	205.4	317.6	166.0	232.6
Low	39.8	2.8	37.7	83.6	28.0	72.1	28.5	49.3	33.1	40.9
Monthly Figures, 1936:										
January	130.3	18.6	80.0	231.0	75.5	153.6	151.7	187.7	52.4	117.8
February	140.5	20.2	84.3	246.5	74.0	158.7	151.7	200.0	57.0	126.1
Weekly Figures, 1936:										
Mar. 5	141.3	19.9	85.7	247.9	75.4	158.5	149.1	202.2	58.0	127.0
Mar. 12	138.0	19.6	89.6	237.9	73.7	154.8	141.6	195.2	55.7	122.5

*High and low of years from 1929 to 1935 inclusive are based on weekly figures. Compiled from figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	20 Misc. Mines
Mar. 17	134.97	124.70	137.20
Mar. 16	132.71	121.95	133.45
Mar. 14	132.25	121.00	133.15
Mar. 13	127.74	115.97	129.42
Mar. 12	131.61	121.58	134.83
Mar. 11	135.07	125.11	138.49
Month ago ..	141,55	132.76	143.54
Year ago ...	98.88	117.25	82.84
High, 1936 ..	143.48	135.81	144.33
Low, 1936 ...	127.74	115.97	125.30

Montreal Averages

	10 Util.	20 Indus.	30 Comb'd
Mar. 17	71.7	75.4	74.2
Mar. 16	71.2	74.3	73.2
Mar. 14	70.1	74.3	72.9
Mar. 13	68.6	71.6	70.6
Mar. 12	70.2	74.8	73.3
Mar. 11	71.4	76.4	74.7
Month ago	71.2	77.4	75.3
Year ago	58.8	56.3	57.1
High, 1936	73.4	78.4	76.6
Low, 1936	68.0	70.3	69.6

Spiral Nail Anticipates High Profit

Takes for Granted Market Will Grab Up All Output

Spiral Nail Co. of Canada, Ltd., preferred shares with a bonus of common stock are being offered the general public through the mails at present by Edmond Horne & Co., Toronto. The company has 5,000 preferred shares of $5 par and 15,000 common shares. The company is offering a bonus of one share of common along with every five shares of preferred stock sold at $5 each.

A letter sent out to clients states the company has obtained the use of plant and machinery free. The two together have been appraised at $300,000 it is stated. The Financial Post understands this plant is at Collingwood.

The company is basing its appeal for funds on "spiral" nails which, it claims, drive easier and hold better than other nails. They are called spiral nails because the nails have spiral creases running their whole length.

So far so good. The investment offering seems to leave solid ground when estimates of profits are made. It says the plant can make 500 kegs of nails a day in one shift. It estimates a profit of 40 cents a keg on nails sold at the price jobbers pay for ordinary nails, or $200 a day or $60,000 yearly. And it suggests more can be obtained for the nails than for other nails because of the spiral feature.

Nail prices are low just now. The trouble about the estimate just quoted is that most nail sellers approached by The Financial Post do not see a market nearly large enough to keep such a plant going 500 kegs a day or anything like it.

And no investor should pay attention to a sentence like the following: "And we all like to see our shares go up to double and treble in a short time, don't we?" It is quite true. But it doesn't follow that will happen to Spiral Nail Co. of Canada shares.

C. G. E. Aiding Home Building

Believes Mutual Benefits Lie in Canadian House Revival

Canadian General Electric Company Limited believes that revival of building activity in Canada should be encouraged by practical means.

There is nothing altruistic in the policy of the company in devoting its funds and efforts toward revival of building. On the contrary, C.G.E. officials are fully alive to the fact that such a revival will mean additional business in electrical equipment, appliances and installations.

Since last August, C.G.E. has carried on a programme of encouraging builders to construct houses equipped mechanically for maximum economy, comfort and convenience, as well as designed for maximum use of floor space.

Five Being Built

Known as "General Electric Homes," five of these dwellings are at present under construction on the Island of Montreal. Others are under construction in Ottawa, Toronto, and other cities.

The majority of the homes are built for sale, while some are being constructed for individual owners.

Canadian General Electric's cooperation with the building industry in this unique form of promotion includes placing at the disposal of builders the services of its experts in lighting, wiring, kitchen planning, heating and air conditioning.

Designs Prepared

The company is at present making kitchen and air conditioning designs for a number of builders in Toronto and other cities where, in co-operation with local building interests, the company is constructing or planing General Electric Homes.

The scheme, on an even more ambitious scale, including cash prizes for architects, has proved successful in the United States. Details of the G. E.-sponsored campaign in the United States were reviewed in a recent article appearing in The Financial Post.

McCormick's Plan Has Become Effective

From Our Own Correspondent

MONTREAL.—Plan of reconstruction of the capital structure of Canada Biscuit Co., now known as McCormick's Ltd., has become effective. The plan is binding upon the holders of the 6 per cent prior lien bonds and of the first mortgage 6½ per cent sinking fund 20-year bonds of the company.

Holders of the 6½ per cent bonds are requested to surrender the bonds to the Royal Trust Co. for exchange into 5½ per cent sinking fund mortgage bonds of the company and certificates for 6 per cent non-cumulative redeemable participating preferred shares of the par value of $50 each on the basis outlined in the plan, namely, one preferred share at $50 in principal amount of 5½ per cent mortgage bonds for each $100 principal amount of first mortgage 6½ per cent bonds now held.

Cosmos Imperial Mills Share Capital Altered

Supplementary letters patent dated Feb. 15, 1936, have been issued at Ottawa, authorizing Cosmos Imperial Mills Ltd., Hamilton textile firm, to alter its capital. The changes consist of issue of 5,000 five per cent preferred shares and an increase in the common to 100,000 from 70,000 shares.

The old 12,536 seven per cent preferred shares are not cancelled by the letters patent because they remain outstanding until April 1, the date of redemption. Cancellation can be arranged after redemption.

The 30,000 new common shares are issuable for an amount not exceeding $480,000, or $16 a share. The new preferred and common shares have already been sold by the company.

Security Analysis

De Havilland Aircraft Earnings May Improve

Future Prospects of Aircraft Firm Dependent Upon Sales of New Models — Earnings Record in Past Unimpressive

The de Havilland Aircraft of Canada Ltd. affords about the only opportunity for the Canadian investor to buy into the aircraft industry in Canada. The company has an outstanding capital of $270,500 of seven per cent preferred stock, 25,000 shares of Class A stock carrying a non-cumulative dividend of $2 annually and 5,000 shares of no par value Class B common stock. The preferred and class A shares are listed on the Toronto Stock Exchange.

Incorporated in March, 1929, the company's earnings record has been unimpressive. In the first seven months of operations the company earned more than it has in the past six years. In 1930, profits dropped sharply, further declines being recorded in each year until 1935. A statistical record of the company's earnings and the price of its stock follows:

The de Havilland Aircraft of Canada Ltd.

Year Ended Sept. 30	Profit or Deficit	Price of Shares Preferred H	L	Class A H	L
1929*	70,567	90	87	28	14
1930	8,921	No sales		16	12
1931	656	No sales		12½	12½
1932	*29,156	15	10	No sales	
1933	*19,952	19	18	No sales	
1934	*41,006	30	20	4¾	1
1935	4,077	30½	30	2¾	1¼

*Deficit.

Dividends were paid on the company's preferred stock during the first two years of operations and are now in arrears to the extent of 35 per cent. Only 25 cents a share in dividends has ever been paid on class A shares. If, and when, earnings regain a substantial level, it is possible that some form of adjustment will be necessary to relieve the company of the burden of preferred dividend arrears.

The company's financial position is not particularly strong, working capital at the end of 1935 amounting to $155,708, compared with $293,513 in 1929.

Through ownership of the majority of class A shares, the company is controlled by The de Havilland Aircraft Co. Ltd. in England. The Canadian company is engaged in the manufacture and distribution of the products of the parent company.

Future prospects of the company are largely dependent upon a very considerable increase in sales of new types of aircraft. In recent years a large proportion of the company's revenue has been derived from sales of spare parts and reconditioning resulting from sales of aircraft in previous years.

Development of the projected transatlantic air mail service would be of considerable importance to the company, since it would probably result in more rapid development of inter-urban lines in Canada. If and when this development occurs, the company should obtain a very substantial increase in business.

If there is a substantial revival of demand for the company's new aircraft types, there are prospects of increased earnings. This is reflected to some extent by the recent advance of the preferred shares to about $60 and the class A shares to about $7 on the Toronto Stock Exchange. In view of the large arrears on the preferred, and the unimpressive earnings record, the investor may find sufficiently speculative features in this senior security rather than venture into class A stock.

Western Grocers' Plan Turned Down By Court

Chief Justice D. A. Macdonald of Manitoba has refused to sanction the scheme of Western Grocers Ltd., Winnipeg, to make its preferred shares callable at 110.

The plan was approved by 7,184 preferred shares at a special meeting on Jan. 8, 1936, and was opposed by 1,769 shares. In court at Winnipeg, Mr. Justice Macdonald agreed with the minority shareholders' contention that approval of three quarters of the entire outstanding preferred issue of 11,943 shares was necessary to make the scheme binding.

The court suggested the scheme was one that sacrificed preferred shareholders and benefitted only holders of common shares.

Toronto 'Change Members Clear Unlisted Securities

The Toronto Stock Exchange Clearing House has started to clear unlisted securities for members of the exchange. Instead of delivering unlisted securities by messenger to individual firms, members of the exchange may now make delivery through the clearing house.

The benefit to members is to save messenger work. The new arrangement takes care of securities that are not officially traded on the stock exchange and only for member brokers.

One effect of the clearing will be to build up a more accurate record of price for unlisted securities than has existed in the past.

Commodity Markets

Commodity markets were relatively stable throughout January. Grain prices moved gradually lower, dominating a moderate recession in vegetable products.

The Shawinigan Water and Power Company
4% First Mortgage and Collateral
Trust Sinking Fund Bonds
Due April 1st, 1961
Denominations: $1,000 and $500.

The Shawinigan Water and Power Company produces and distributes hydro-electric power within the Province of Quebec. Incorporated in 1898, it has had a long and successful record of operations.

Average net earnings before depreciation, for the last seven fiscal years have been 2.16 times average total fixed charges.

Price: 99.50 and interest, yielding over 4.02%

Descriptive circular gladly furnished upon request.

Wood, Gundy & Company
Limited
Toronto, Montreal, Winnipeg, London, Eng.
36 King Street West
Toronto
TELEPHONE: ELGIN 4321
Ottawa, Hamilton, Vancouver, London, Ont.

Tree Seed Extraction

The seed extraction plant operated by the Dominion Forestry Service at New Westminster produced 3,600 pounds of conifer seed—chiefly Douglas fir—last year, the bulk of which has been shipped for planting in England and Scotland.

N. B. Jack Pine

Use of New Brunswick jack pine in the State of Maine, along highways as windbreaks, has resulted in the export of several carloads by Fraser Companies, Ltd. of Fredericton. A fair market is promised from this source.

DUNCANSON, WHITE & CO.
STOCK BROKERS
Members Toronto Stock Exchange
Canadian Commodity Exchange, Inc.
New York Curb (Associate)
15 King Street West, Toronto. WA. 3401-8

MASSEY-HARRIS
COMPANY, LIMITED
5%
CUMULATIVE PREFERRED STOCK

Par Value $100.00
Accumulated Dividend Arrears . 26.25
Asset Value:
Per Share of Preferred Stock : : 137.84
Current Asset Value:
Per Share of Preferred Stock : : 78.93
(After deducting par value of bonds outstanding and all reserves except reserve for foreign exchange and contingencies)

The following excerpt from the remarks of the President, T. A. Russell, made at the Annual Meeting on March 3rd, 1936, is of the greatest importance:

"At the present time I am of the opinion that practically all known bad and doubtful assets have been provided for, and that, barring some catastrophe affecting either the industry or our customer, the farmer, the inventories and receivables shown on our 1935 balance sheet, with the appropriate reserves against them, represent sound value."

Our reasons for selecting these preferred shares as a most attractive speculation are discussed fully in our revised analysis, which is now available upon request.

GAIRDNER & COMPANY
LIMITED
320 BAY STREET
TORONTO
360 ST. JAMES ST. WEST
MONTREAL

This issue having been fully subscribed, this advertisement appears as a matter of record only.

New Issue

$3,500,000
WINNIPEG ELECTRIC COMPANY
4½% First Mortgage Bonds
(First Series)

To be dated January 2nd, 1935 To mature January 2nd, 1960

Principal and semi-annual interest (January 2nd and July 2nd) payable in lawful money of Canada in the Cities of Halifax, N.S., Montreal, P.Q., Toronto, Ont., Winnipeg, Man., Vancouver, B.C. Redeemable at the option of the Company in whole or in part on any interest payment date at par plus accrued interest thereon to the date of redemption, and a premium of 2½% of the par value thereof if redeemed on or before January 2nd, 1945; a premium of 1½% if redeemed thereafter but on or before January 2nd, 1955; a premium of 1% if redeemed thereafter but prior to maturity.

TRUSTEE: THE ROYAL TRUST COMPANY, MONTREAL

Price: 101.50 and accrued interest to yield about 4.40%

No person is authorized by the Company or by us to give any information or make any representation other than those contained in the official prospectus, in connection with the issue and sale of these bonds, and if given or made such information or representation must not be relied upon as having been authorized by the Company or by us.

NESBITT, THOMSON & COMPANY LIMITED
THE DOMINION SECURITIES CORPORATION LIMITED
McTAGGART, HANNAFORD, BIRKS & GORDON LIMITED

Bond Markets

European Situation Weakens Bond Prices

Bottom Drops Out of Market for Alberta Issues on Prospects of Forced Conversion

The severity of the international political crisis in Europe has cast a shadow over the bond market, resulting in a general weakness in government and corporation bonds alike.

Further irritation to the holders of government bonds has appeared in the announced intention of the Province of Alberta to undertake forced conversion of its funded debt on a 2¾ per cent interest basis. Such action will be a serious blow to Alberta's credit at home and abroad, especially since conversion under the federal loan council scheme will be open to the province.

Coincident with the announcement that forced conversion was contemplated, the market for Alberta issues disappeared.

Investors should also exercise caution in regard to the debentures of certain Alberta municipalities. If forced conversion of the provincial is undertaken it is possible that municipalities will be permitted to take the same action. Calgary has already applied for authority to refund its debenture debt.

Corporation Bond Index

LATE last year, an index of Canadian corporation bond prices was introduced as a feature of this column. Published each week in chart form, the index indicates the general trend of prices of the better corporation issues.

Given below are the comparative monthly figures for the past three years:

Corporation Bond Index

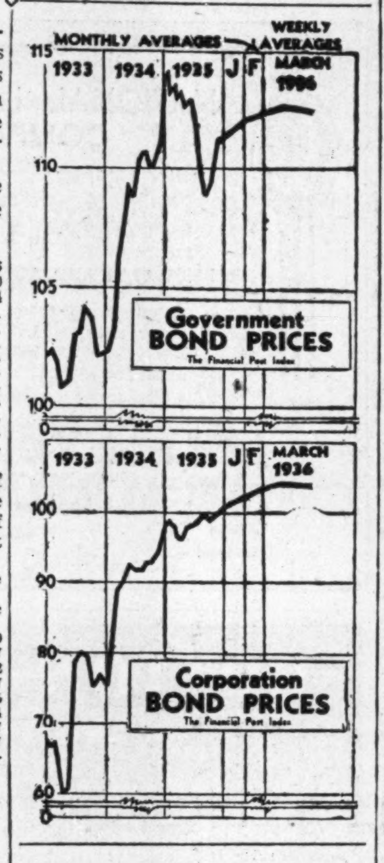
	1933	1934	1935	1936
January	67.0	73.6	98.9	102.0
February	67.5	88.1	98.5	102.4
March	60.0	89.6	96.8	....
April	60.3	90.8	96.3	....
May	70.0	92.7	97.9	....
June	77.7	92.1	98.1	....
July	80.0	92.2	98.7	....
August	79.8	92.2	99.7	....
September	78.6	92.9	98.9	....
October	75.9	93.2	98.6	....
November	76.8	94.6	99.8	....
December	74.6	97.6	100.7	....

Government Bonds

Reflecting the general weakness of the market, prices of high grade government bonds have eased off slightly. The trend of the market is indicated below.

The Financial Post Average Yield and Price For High Grade Government Bonds

1936	Yield %	Price $	1935	Yield %	Price $
Mar. 17	3.373	113.82	Mar. 18	3.460	114.00
Mar. 16	3.381	113.77	Mar. 16	3.457	113.97
Mar. 14	3.371	113.90	Mar. 15	3.458	113.92
Mar. 13	3.401	113.79	Mar. 14	3.452	113.97
Mar. 12	3.371	113.86	Mar. 13	3.475	113.75
Mar. 11	3.357	114.05	Mar. 12	3.467	113.84
Year's	3.324	114.45	Year's	3.367	114.97
Range	3.597	111.50	Range	4.097	106.57



The Shawinigan Water and Power Company

NOTICE OF REDEMPTION

To the Holders of the First Mortgage and Collateral Trust Sinking Fund Gold Bonds, Series "C", 5%, of THE SHAWINIGAN WATER AND POWER COMPANY.

NOTICE IS HEREBY GIVEN that pursuant to the terms of the Trust Deed of Hypothec, Mortgage and Pledge from The Shawinigan Water and Power Company to Montreal Trust Company as Trustee dated October 31, 1927, and the Supplemental Trust Deed dated March 6, 1930, securing the above mentioned Bonds, and to the terms of the said Bonds, The Shawinigan Water and Power Company will redeem all its outstanding First Mortgage and Collateral Trust Sinking Fund Gold Bonds, Series "C", 5%, on the 15th day of April, 1936, at 105% of the principal sum thereof and accrued interest on such Bonds to the said 15th day of April, 1936, upon presentation and surrender of such Bonds accompanied by the interest coupons appertaining thereto which mature on and after August 1, 1936, at the principal office of The Royal Bank of Canada in the City of Montreal, Canada, or at the holders' Option at the principal office of Bank of the Manhattan Company in the Borough of Manhattan, The City of New York, United States of America, or at the holders' option at the Bank of Scotland in London, England.

AND NOTICE IS FURTHER HEREBY GIVEN that in case the Bonds hereby called for redemption are not presented for redemption on the said 15th day of April, 1936, all interest on the said Bonds will cease to accrue from and after the said 15th day of April, 1936.

Dated at Montreal this Third day of March, 1936.

THE SHAWINIGAN WATER AND POWER COMPANY,
Jas. Wilson,
Secretary.

Since the redemption moneys on the Bonds to which the above notice relates are payable, at the option of the holders, in sterling in London, England, and having regard to the present premium on sterling in terms of Canadian currency, the Company has arranged that Bondholders may, if they so desire, obtain the benefit of the sterling premium without the necessity of sending their Bonds to London, for redemption, under the following conditions:

Bondholders may surrender their Bonds for redemption, with all unmatured interest coupons attached, to The Royal Bank of Canada, 360 St. James Street, Montreal, during banking hours **on any day between March 26 and April 4, 1936**, both inclusive, and on such surrender will receive in Canadian funds the par value plus redemption premium plus accrued interest on such Bonds to date of surrender, together with an additional sum in Canadian funds equal to the sterling premium on the aggregate of the above mentioned sums, calculated at the prevailing rate between sterling and Canadian funds at the close of business on the last business day preceding the date of surrender, as to which the certificate of said Bank shall be final and conclusive.

THE SHAWINIGAN WATER AND POWER COMPANY,
Jas. Wilson,
Secretary.

Burrard Dry Dock Offers New Bonds

Refunding Will Result in Substantial Saving to Company

A refunding issue of $1,772,392 first mortgage bonds of Burrard Dry Dock Co. Ltd., Vancouver, is being offered by a syndicate headed by Wood, Gundy & Co. The new bonds carry interest coupons of 2½, 3 and 3½ per cent as compared with five per cent coupon on the bonds at present outstanding, which have been called for redemption at 105 and accrued interest.

The issue is made up as follows: $288,562 of 2½ per cent bonds; $713,990 of three per cent bonds and $769,840 of 3½ per cent bonds. Refunding will result in a substantial saving in interest changes.

Burrard Dry Dock Co. Ltd.

Issue: $1,772,392 of first mortgage 2½%, 3% and 3½% bonds, dated April 9, 1936, due October 9, 1936 to April 9, 1960.

Company: Owns and operates a floating dry dock and shipbuilding yard at Vancouver.

Earnings: Average net income of the company without charging depreciation, interest and discount on bonds and income taxes, for the last three years, after eliminating profits of non-recurring nature, amounted to $128,074 including the Dominion government subsidy. In 1933 and 1934 an operating loss was shown, while operating profit in 1935 amounted to $79,578.

Purpose of Issue: To redeem on April 9 next all of the company's outstanding five per cent bonds.

Security: A specific first mortgage and floating charge on all the property of the company. In addition, there is assigned to the trustee the annual subsidy of $110,118 payable to the company by the Dominion government.

Offered: By a syndicate composed of Wood, Gundy & Co.; Dominion Securities Corp.; C. H. Burgess & Co. Ltd., and the Royal Bank at 94.20 to 100 to yield 2.5 per cent to 3.75 per cent.

Heads Canada Dry

R. H. MACDONNELL

Who has received a second appointment within a year. Originally manager of the Eastern Division of Canada Dry Ginger Ale Limited at Montreal, he was made general sales manager and transferred to head office. He now becomes vice-president and general manager of the company.

Grand Trunk Appeal Opens

Junior Stockholders Take Case on Values to Privy Council

From Our Own Correspondent

MONTREAL.—Appeal of junior stockholders of the old Grand Trunk Railway from Ontario court rulings, concerning the terms under which the Grand Trunk was acquired by the Canadian National Railways in 1920, has been opened in London before the Judicial Committee of the Privy Council.

The action was brought in the Ontario courts after an arbitration board had found that the common and preferred shares of the G.T.R., having a face value of about $175 millions, were valueless. Holders of the stock, most of them living in England, sought for a declaration from the Ontario courts that they had been deprived illegally of their stock holdings. The action was dismissed by the Ontario Supreme Court, which was upheld by the Ontario Court of Appeal. A year ago the Privy Council granted the right to appeal to that body.

Silverwood Case Halts Revamping

But Parties to Suit Expect Delay Will Be Short

Talks with various interests involved in court proceedings arising out of plan of reorganization of Silverwood's Dairies lead The Financial Post to believe that completion is not likely to be held up long. The court is being called in to adjudicate what are really internal differences and both sides speak as though reorganization is not likely to be long held up.

Three officials of Silverwood's Toronto Dairy, Dr. Lee Pollock, general manager, Harold M. Gully, vice-president, and W. E. Robson, sales manager, are holding 13,250 Class A shares. In the last three balance sheets of the parent company this has been shown in a footnote as a $265,000 contingent liability resulting from a guarantee given by a subsidiary re performance of certain contracts for purchase of these shares during the years 1936-42.

These three men originally owned the stock and then sold it to Silverwood Securities. The certificates were handed back to them as collateral until paid for. The guarantors to the three men are stated to be A. E. Silverwood, Silverwood Securities and the Silverwood Toronto Dairy.

The shareholders approved of the plan by a large majority and the company is objecting that the three men are not now shareholders and cannot therefore object to the plan. They ask the court, however, to protect their rights.

BOIVIN JOINS BOARD

MONTREAL.—P. E. Boivin was elected a director of the Prudential Trust Co. at the annual meeting of shareholders. Mr. Boivin is vice-president of Siscoe Gold Mines.

Bond Tenders

8 p.m., Mar. 28, Sorel—$25,000, 4½ per cent bonds, dated Mar. 1, 1936, redeemable serially from Mar. 1, 1937 to Mar. 1, 1966. A. O. Cartier, city clerk.

4 p.m., Mar. 19, Kitchener—$150,000; A $60,000 3½ per cent 10-ins.; B $90,000, 3 per cent 5-ins. L. M. Dahmer, treas.

Noon, Apr. 6, Twp. of Trafalgar—$15,000 4½ per cent 20-ins. school debentures. W. E. Ford, Twp. treas. (See announcement on page 5).

Dividends Declared

	This payment	Date payable	Date of record
Agnew Surpass, pf.	$1.75	Apr. 1	Mar. 16
Acme Glove pf.•	95c	Apr. 1	Mar. 31
Do., arrears	56¼	Apr. 1	Mar. 31
Assoc. Brew.	15c	Mar. 31	Mar. 14
Do., pref.	$1.75	Apr. 1	Mar. 14
Amer. Cyanamid, A	15c	Apr. 1	Mar. 14
Do., B	15c	Apr. 1	Mar. 14
Bralorne Mines	10c	Apr. 15	Mar. 31
Do., extra	5c	Apr. 15	Mar. 31
Brit. Amer. Assur.	$1.25	Apr. 1	Mar. 24
Br. Amer. Oil	20c	Apr. 1	Mar. 16
Bell Telephone	$1.50	Apr. 15	Mar. 23
Brazil T. L. & P., p.	$1.50	Apr. 1	Mar. 16
B. C. Power	40c	Apr. 15	Mar. 31
Bk. of N.S.	$3	Apr. 1	Mar. 16
Belding-Cort.	$1	Apr. 1	Mar. 14
Do., pref.	$1.75	Apr. 1	Mar. 14
Burt, F. N. c.	50c	Apr. 1	Mar. 10
Do. pref.	$1.75	Apr. 1	Mar. 10
Brantf'd Cord. 1st p.	50c	Apr. 15	Mar. 20
Brew. Corp., pfd.	37½c	Apr. 15	Mar. 31
B. C. Elec. pf.	$1.50	Apr. 1	Mar. 20
Bldg. Prod., A & B	25c	Apr. 1	Mar. 18
Can. Bread, 1st pf.	$1.25	Apr. 1	Mar. 14
Can. Celanese	40c	Mar. 31	Mar. 17
Do., pfd.	$1.75	Mar. 31	Mar. 17
Do., partic.	95c	Mar. 31	Mar. 17
Do., inc. pd. rights	$1	Mar. 31	Dec. 31
Can. North Pwr., c.	30c	Apr. 25	Mar. 31
Do., pf.	$1.75	Apr. 15	Mar. 31
Can. Packers, c.	75c	Apr. 1	Mar. 14
Can. For. Invests. c.	40c	Apr. 1	Mar. 14
Do., pf.	$2	Apr. 1	Mar. 14
Cariboo Gold	2½c	Apr. 1	Mar. 7
Cons. Bakeries	20c	Apr. 1	Mar. 16
Can. Gen. Elec., c.	$1.25	Apr. 1	Mar. 14
Canadian Oil, pf.	$2	Apr. 1	Mar. 20
Can. Indust. A & B	$1	Apr. 30	Mar. 31
Do., pref.	$1.75	Apr. 15	Mar. 31
Consumers' Gas	$2.50	Apr. 1	Mar. 14
Cosmos Imp.	20c	May 15	....
Can. Perm. Mtge.	$2	Apr. 1	Mar. 14
Can. Westinghouse	50c	Apr. 1	Mar. 20
Can. Wire Box, A	*25c	Apr. 1	Mar. 16
Celanese of Am. p.	$1.75	Apr. 1	Mar. 17
Do., participating	68c	Apr. 1	Mar. 17
Cent. Can. Loan	$2	Apr. 1	Mar. 20
Cosmos Imp. p. new	$1.25	July 15	....
Can. Canners 1st p.	$1.50	Apr. 1	Mar. 14
Crown Trust	$1.75	Apr. 1	Mar. 31
Can. Cottons	$1	Apr. 1	Mar. 20
Do., pref.	$1.50	Apr. 1	Mar. 20
Can. W. Nat. Gas p.	$1.50	Mar. 2	Feb. 15
Dom. Rubber, pfd.	$1.75	Mar. 31	Mar. 20
Dominion Glass, c.	$1.25	Apr. 1	Mar. 16
Do., pf.	$1.75	Apr. 1	Mar. 16
Dom. Textile	$1.25	Apr. 1	Mar. 14
Do., pref.	$1.75	Apr. 15	Mar. 31
Dominion Coal, pf.	75c	Apr. 1	Mar. 15
Dominion Bank	$2.50	Apr. 1	Mar. 20
Dome Mines	50c	Apr. 20	Mar. 31
East. Twps. Tel.	18c	Apr. 15	Dec. 31
Econ. Invest.	62½c	Apr. 1	Mar. 20
East. Steel, pfd.	$1.75	Apr. 1	Mar. 16
Fanny Farmer	12½c	Apr. 1	Mar. 16
Falconbridge N.	7½c	Mar. 26	Mar. 10
Freiman, pfd.	$1.50	Apr. 1	Mar. 14
Guar. of N. Amer.	$1.50	Apr. 15	Mar. 31
Do., extra	$2.50	Apr. 15	Mar. 31
Goodyear Tire	62c	Apr. 1	Mar. 14
Do., pref.	62½c	Apr. 1	Mar. 14
Ham. Cottons, pf.	50c	Apr. 1	Mar. 16
Howe Sound	75c	Mar. 31	Mar. 23
Huron & Erie Mtge.	$1.25	Apr. 1	Mar. 14
Ham. Un. Theat. pf.	$1	Mar. 31	Feb. 29
Hinde & Dauch	12½c	Apr. 1	Mar. 14
Hollinger Gold	5c	Mar. 24	Mar. 9
Do., extra	5c	Mar. 24	Mar. 9
Imperial Bank	$2.50	May 1	Mar. 31
Int. State Rlty., A	28c	Apr. 1	Mar. 14
Inv. Found., pfd.	37c	Apr. 15	Mar. 31
Do., on arrears	63c	Apr. 15	Mar. 31
Imp. Tobacco, pf.	3%	Mar. 31	Mar. 13
Do., ord.	8½c	Mar. 31	Mar. 13
Do., final	17½c	Mar. 31	Mar. 31
Int. Power, 1st pf.	$1.50	Apr. 1	Mar. 14
Int. Nickel, c.	25c	Mar. 31	Mar. 2
Do., pf.	$1.75	May 1	Apr. 1
Kirk. Lake G.	3c	Apr. 30	Apr. 9
Lake Shore M.	50c	Mar. 16	Mar. 2
Do., extra	50c	Mar. 16	Mar. 2
Landed Bank	$1.25	Apr. 1	Mar. 14
Louisiana L.	10c	Mar. 16	Mar. 6
Marcus Loews, pf.	$1.75	Mar. 31	Mar. 21
McGill Cr. Coal	1c	Mar. 3	....
Mercury Oils	3c	Apr. 1	Feb. 29
McColl-Fron. pf.	$1.50	Apr. 15	Mar. 31
Mitchell, J. S., pfd.	$1.75	Apr. 1	Mar. 16
Monarch Knit., pf.	$1.75	Apr. 1	Mar. 14
Mtl. City & Dis. Bk.	$3.00	Apr. 1	Mar. 14
Moore Corp. A, pf.	$1.75	Apr. 1	Mar. 10
Do., B, pf.	$1.75	Apr. 1	Mar. 10
Do., C	25c	Apr. 1	Mar. 10
Niag. Wire	75c	Apr. 1	Mar. 20
Do., pref.	75c	Apr. 1	Mar. 20
National Trust	$2	Apr. 1	Mar. 21
Nat. Biscuit, com.	40c	Apr. 15	Mar. 13
Nat. Grocers, pffd.	$1.75	Apr. 1	Mar. 23
Neon P. of W. Can. pf.	$1.50	May 1	Apr. 15
National Brew., c.	50c	Apr. 1	Mar. 16
Do., pf.	44c	Apr. 1	Mar. 16
New Eng. Pr., pf.	$1	Apr. 1	Mar. 16
North Star Oil, pf.	‡18¾c	Apr. 1	Mar. 16
Nor. Can. Mining	2c	May 1	Apr. 11
Ont. Loan & Deb.	$1.50	Apr. 1	Mar. 16
Ogilvie Flour, c.	$2	Apr. 1	Mar. 20
Ottawa L. H., pf.	$1.62½	Apr. 1	Mar. 14
Do., com.	$1.50	Apr. 1	Mar. 14
Ottawa Traction	50c	Apr. 1	Mar. 14
Penmans	75c	May 15	May 5
Do., pref.	$1.50	May 1	Apr. 21
Pickle Crow†	5c	Mar. 31	Mar. 15
Porto Rico Pr., pf.	$1.75	Apr. 1	Mar. 14
Power Corp., pf.	$1.50	Apr. 15	Mar. 31
Do., 2 pf.	75c	Apr. 15	Mar. 31
Premier Mines	3c	Apr. 15	Mar. 12
Do., extra	1c	Apr. 15	Mar. 12
Page Hersey	75c	Apr. 1	Mar. 14
Pioneer Gold	20c	Apr. 1	Mar. 2
Pressed Metals	25c	Apr. 1	Mar. 16
Do., extra	12½c	Apr. 1	Mar. 16
Reno Gold	3c	Apr. 1	Mar. 10
Second Std. R'lties	1c	Apr. 1	Mar. 16
Sher.-Williams, p.	▲$1.75	Apr. 1	Mar. 15
Sylvanite	5c	Mar. 31	Feb. 22
R. S. Mills, A	50c	Apr. 1	Mar. 14
South. Can. Pwr.	$1.50	Apr. 15	Mar. 20
S. Am. Gold & Pl.	10c	Mar. 30	Mar. 18
Std. Fuel, pfd.	$1.62½	Apr. 1	Mar. 14
Sunshine Min.	50c	Mar. 30	....
Steel of Can.	43¾c	May 1	Apr. 7
Do., pref.	43¾c	May 1	Apr. 7
Teck-Hughes	10c	Apr. 1	Mar. 10
Tamblyn, pfd.	$1.75	Apr. 1	Mar. 21
Toronto Elev., pf.	$1.75	Apr. 15	Apr. 1
Tor. Gen. Trusts	$1	Apr. 1	Mar. 21
Toronto Mtge.	$1.50	Apr. 1	Mar. 14
Un. Secs.	50c	Apr. 15	Mar. 28
West. Assur., c.	$1	Apr. 1	Mar. 24
West. Grocers, c.	50c	Apr. 15	Mar. 20
Do., pref.	$1.75	Apr. 15	Mar. 20
West. Koot. Pr. pf.	$1.75	Apr. 1	Mar. 19
Westminster Paper.	20c	May 1	....
W. Hargraves	10c	Apr. 1	Mar. 10
Do., extra	5c	Apr. 1	Mar. 10

†Initial.
▲For quarter ending May 31, 1934.
•Includes adjustment of 13¾c. for 3½ months ended Mar. 31, 1936; previous payments made Mar., June, Sept. and Dec. 15.
*On arrears.
‡For quarter ended Jan. 1, 1935.

Foreign Exchange

FOREIGN EXCHANGE AT TORONTO AND MONTREAL

	Par $	Mar. 10	Mar. 11	Mar. 12	Mar. 13	Mar. 14	Mar. 16
U. S. dollar, High	.5906	1.00 1/16	1.00 1/16	1.00 1/32	1.00 1/16	1.00 1/32	1.00
Low	.5906	1.01	1.00	1.00 1/32	1.00	1.00	.99 31/32
1935, High	.5906	1.00	1.01 1/16	1.01 11/32	1.00 11/32	1.01 1/16	1.01 1/16
Low	.5906	0.99 15/16	1.00⅞	1.01¼	1.01¼	1.01⅛	1.00 15/16
U. K. pound	4.8665	4.98⅜	4.98⅛	4.97½	4.96⅞	4.97⅞	4.97½
Argentina	.4246	.2771	.2762	.2772	.2772	.2765	.2671
Australia	4.8665	3.9802	3.9780	3.9746	3.9696	3.9750	3.9733
Austria	.1407	.1896	.1896	.1895	.1891	.1895	.1894
Belgium	.1392	.1702	.1701	.1700	.1698	.1699	.1699½
Brazil	.1963	.0570	.0570	.0580	.0575	.0570	.0570
Czechoslovakia	.0296	.0417¾	.0417¾	.0417½	.0417	.0417¼	.0417¼
Denmark	.2680	.2225	.2224	.2224	.2218	.2223	.2222
France	.0392	.0666¼	.0665	.0664½	.0663¼	.0664¾	.0664½
Germany	.2382	.4052	.4056	.4055	.4045	.4051	.4049
Greece	.013	.0095⅜	.0095⅜	.0095¼	.0095¼	.0095⅜	.0095¼
Holland	.4020	.6863	.6855	.6852	.6839	.6850	.6850
Hungary	.1749	.2975	.2975	.2970	.2965	.2970	.2975
India	.3650	.3795	.3770	.3764	.3786	.3765	.3763
Japan	.4985	.2908	.2910	.2900	.2910	.2900	.2900
Jugoslavia	.1929	.0230½	.0230½	.0230¼	.0230½	.0231	.0231¼
New Zealand	4.8665	4.0204	4.0181	4.0146	4.0096	4.0150	4.0134
Norway	.2680	.2503	.2503	.2502	.2496	.2500	.2500
Poland	.1122	.1906	.1906	.1904	.1903	.1906	.1906
South Africa	4.8666	4.9604	4.9575	4.9532	4.9470	4.9539	4.9516
Spain	.1929	.1379½	.1377½	.1377	.1374½	.1376¼	.1377
Sweden	.2680	.2570	.2569	.2567	.2562	.2565½	.2566
Switzerland	.1930	.3293½	.3291	.3289	.3283	.3289	.3289
Hong Kong	.5422	.3280	.3285	.3290	.3311	.3300	.3320

Footwear in Canada

Production of leather footwear in 1935 amounted to 21,712,686 pairs, compared with 18,491,817 pairs in 1934.

Tenders are invited for an issue of Township of Trafalgar debentures for School Section No. 12. The issue is for $15,000.00 Twenty-year instalment plan 4½%.

Tenders will be accepted up to noon April 6th, 1936.

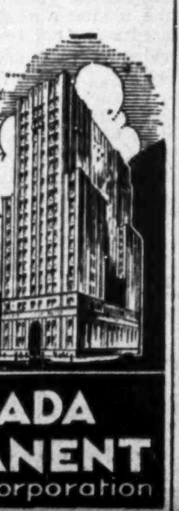
W. E. FORD,
Township Treasurer.

Business Opportunity Wanted

Young business man of good standing and presently in control of a well-established company is interested in securing a financial interest in a manufacturing organization or a financial institution of good standing. Preferably located in the Province of Quebec, or Ontario. Reply to 6155 Monkland Avenue, Montreal, P.Q.

3½% INVESTMENT DEBENTURES

Issued in sums of $100 and upwards for terms of from 5 to 10 years. Canada Permanent debentures are a Trustee investment.



FOUNDED 1855

CANADA PERMANENT Mortgage Corporation
320 Bay Street, Toronto
Assets exceed $69,000,000

Beauharnois Calls Meeting

Notice Will Go Out Shortly —Will Form Protective Committees

From Our Own Correspondent

MONTREAL.—Notices will probably be sent out this week-end by the trustee to holders of Beauharnois Power Corp. collateral trust bonds and Beauharnois Light, Heat and Power Co. first mortgage bonds, calling a meeting for the purpose of appointing protective committees to look after their interests, consequent upon the repudiation of the contract held between the company and the Ontario Hydro-Electric Power Commission.

While there is a possibility of an early default in interest payments on Beauharnois Light, Heat and Power first mortgage bonds, such is not the case in connection with the Beauharnois Power collateral trust bonds. Under the terms of the reorganization of the company carried out in 1932 interest payments on the collateral trust bonds have been suspended until April 1, 1938. However, as the power contracts have been incorporated in the trust deed, the repudiation of the Ontario Hydro contract may be regarded as a technical default.

Stanfields Ltd. Profits Are Moderately Higher

Profits of Stanfields Ltd., textile operators in Truro, N.S., were somewhat higher last year than in 1934, reflecting a moderate gain in sales. No figures are available as to the turnover or profits, but in the annual statement to the shareholders, F. T. Stanfield said that due to improved conditions during the past two years, it had been somewhat easier for the management to hold down overhead expenses and to keep plants in operation.

Recently the firm consolidated its sales forces further and has opened a warehouse in Montreal.

The officers and directors were re-elected.

Leather Footwear

The output of leather footwear in Canada during December amounted to 1,565,986 pairs, a decrease of 140,163 from November, but an increase over December, 1934, of 395,976 pairs.

Add to Reserve C.P.R.'s U.S. Lines

From Our Own Correspondent

MONTREAL.—With the addition of another $4 millions appropriated from the revenue surplus account in 1935, the Canadian Pacific Railway has set up a reserve of $16 millions to provide for the possible writing down in the future of the company's investment in controlled lines in the United States.

Principal interest lies in the Minneapolis, St. Paul and Sault Ste. Marie Railway Co. The C. P. R. carried its investment in this enterprise at a book value of $19,723,500 at the end of 1934. At one time highly profitable, in recent years it has been necessary for the C. P. R. to make good its guarantee on the Soo line's funded debt obligation.

At the end of 1934 the C. P. R. had guaranteed interest on $103 millions of Soo bonds and had guaranteed principal and interest on $1.4 millon of Soo notes held by the Railroad Credit Corp. The notes matured on August 15, 1935.

Int. Paints Plan Is Approved

Shareholders Agree to Modified Plan Covering Dividend Arrears

From Our Own Correspondent

MONTREAL.—Shareholders of International Paints (Canada) have approved a scheme of arrangement as outlined in last week's issue of The Financial Post.

The plan will deal with arrears of dividend on preferred stock and rearrange the status and par value of that issue.

Each of the present $30 par value 7½ per cent preferred shares are to be converted into 1½ shares of five per cent cumulative preferred stock of $20 par value.

The dividend arrears on the preferred will remain as an obligation of the company payable by way of additional earnings as and when earned. When such arrears have been paid off in full, the cumulative dividend on the new preferred will increase from five to six per cent.

Wpg. Electric Bonds Offered

$3.5 Millions Mortgage Bonds Put on Market at Premium

From Our Own Correspondent

MONTREAL.—Nesbitt, Thomson and Co. head a syndicate comprising Dominion Securities Corp. and McTaggart, Hannaford, Birks and Gordon, making a public offering of $3.5 millions of 4½ per cent first mortgage bonds of Winnipeg Electric Co. The offering is being made at 101½ to yield 4.40 per cent to maturity. The bonds are for 25 years and are payable as to principal and interest in Canadian funds only.

This financing forms part of the reorganization plan for Winnipeg Electric and its subsidiary companies, which was approved by all security holders and, lately, by the courts. The plan among other things provided for the creation of $7.5 millions of first mortgage bonds, of which the current bond offering is all that will be outstanding at the moment. The balance may be issued as and when required to provide 75 per cent of future capital expenditures, subject to certain provisions.

With proceeds of the current offering, the company will redeem $2,917,000 of the Winnipeg Electric Railway Co.'s five per cent first refunding mortgage bonds which matured on January 2, 1935. These bonds have been called on or before March 31.

A feature of the new first mortgage bonds is a sinking fund of three per cent annually to commence in 1941. It is anticipated that the sinking fund will cover 95 per cent of the bonds by maturity.

Aluminium "C" Warrants Must be Taken Up April 2

From Our Own Correspondent

MONTREAL. — Aluminium Ltd. has notified holders of the Class C common shares and subscription warrants, that rights to subscribe to the company's common shares expire on April 2 next. Unless these warrants are returned, properly executed, with payment in full for these subscriptions, on or before that date, the right to make subscriptions on the Class C full share warrants will be void and the warrants of no value.

Bond Redemptions

Bond Issues:	Rate	Year	Date	Price
Mt. Royal Tunnel	5%	1970	Apr. 15	100
Mtl. Pr. Cons. A.	5%	1951	Apr. 1	104
Paton Mfg.	6%	1953	May 1	103
Wabasso Cotton.	6%	1947	May 1	110
St. Maur. Vall. Cot.	6%	1952	May 1	105
Shaw. Cotton	6%	1949	May 1	105
Wabasso Cotton.	7%	1942	May 1	110
Ontario Steel	6%	1943	July 1	110
Ritchie & Ramsay	7%	1944	Apr. 1	105
St. Mary's Cement	‡6%	1942	May 1	103
Wpg. Electric	*5%	1935	Mar. 31	100
Burrard D. Dock	5%	Ser.	Apr. 9	105
Shawinigan, "C"	5%	1970	Apr. 15	105

‡$31,500 for sinking fund purposes.
*As at Dec. 31, 1934, bonds outstanding amounted to $2,917,000.

Stock Issues:	Rate	Stock	Date	Price
G. Tamblyn†	7%	Pref.	Apr. 1	110
Cosmos. Imp.	7%	Pref.	Apr. 1	105
Geo. Weston	7%	Pref.	May 1	110

†$150,000 drawn by lot for sinking fund purposes.

NO ESTATE TOO SMALL

●No Estate is too small to profit from Trust Company administration, and the fees allowed are no larger than those to private Executors.

The smaller the Estate the smaller the charge, while the same thought and care are applied to all.

Appoint an experienced Trust Company your Executor.

THE ROYAL TRUST Co
EXECUTORS TRUSTEES

105 St. James Street, Montreal • 59 Yonge Street, Toronto

Branches throughout Canada, in Newfoundland and in London, England

Agency: CHARLOTTETOWN, P.E.I.

ASSETS UNDER ADMINISTRATION EXCEED $767,000,000

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

	Date Sold	Sold to	Rate	Due	Amount	Price	Yield
Dominion—							
Canada Treasury Bills	Mar.		....	June 15	$20,000,000	....	.999%
Municipal—							
Brantford, Ont.	Mar.	R. A. Daly & Co.	3½%	1940	52,500	100.12	3.45%
			3½%	1941-45	52,500	99.19	3.62%
			3½%	1936-55	50,000	98.27	3.70%
			4%	1936-45	71,501	101.73	3.65%

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Class	Amount	Price	Yield
Burrard Dry Dock Co.	Mar.	Wood, Gundy & Co.	2½, 3 & 3½%	1936-60	$1,772,392	....	.....
Stock Issues—							
Matchewan H. Pioneer Mines	Mar.	Direct	....	....	100,000 shs	25c	.....
Winoga Patricia Gold Mines	Mar.	H. R. Bain & Co.	....	....	400,000 shs	35c	.....

To get a really fine car in this price class . . .

ASK THESE 3 QUESTIONS

1. Has it the comfort and luxury of a 125-inch wheelbase?
2. Has it fine-car engineering throughout?
3. Is the advertised price the price of the sedan?

THE Nash Ambassador is not a scaled-down model. These are the largest, finest sedans in the entire Nash line for 1936! They have a 125-inch wheelbase! Compare that with other leading cars in this price class and see how much more you get for your money in an Ambassador!

The Nash Ambassador has the famous Nash "Twin-Ignition" engine and all of the long-life engineering features usually found only in cars costing hundreds, even thousands, of dollars more. It gives you big, double-acting hydraulic brakes, too, and a rugged, all-steel body with steel top!

There has been no "skimping" in upholstery or in fittings. Instead, the new Ambassador is even more luxurious, even roomier, even more beautifully designed inside and out than models formerly priced at more than twice as much!

Yet the prices of these big luxurious sedans, including built-in trunks are even lower than many cars *on a smaller wheelbase.* This is unquestionably the year to buy your Nash Ambassador! Any Nash-LaFayette dealer will arrange for you to drive it.

AUTOMATIC CRUISING GEAR available at slight extra cost. Reduces engine revolutions ⅓ at high speeds. Saves up to 25% in gasoline; up to 50% in oil!

NASH MOTORS *announces* PRICE REDUCTIONS *from* $93 to $250 on all Nash and LaFayette models IN CANADA *Get full details from nearest Nash-LaFayette dealer*

NASH AMBASSADOR SEDANS
WITH BUILT-IN TRUNKS
125-INCH WHEELBASE
$1338 to $1479
DELIVERED

"ONE OF THE WORLD'S MOST DISTINGUISHED MOTOR CARS"

NASH AMBASSADOR

(*New Nash "400", Standard and DeLuxe models, $1018 and up, delivered. LaFayette, $929 and up, delivered. All prices subject to change without notice. Special equipment extra . . . Convenient, low monthly payments through* NEW 7% C.A.C. TIME PAYMENT PLAN)

Distributors – BREAY-NASH MOTORS, LTD.
1152 Bay Street KIngsdale 5141
Dealer — BLYTHWOOD MOTORS — 2709 Yonge St. — MOhawk 3131.

The Financial Post

Member Audit Bureau of Circulations

Editor—FLOYD S. CHALMERS

Business Manager—D. M. GOWDY

A weekly newspaper, presenting in a popular manner, reliable information respecting investments, business and national affairs in Canada.

The Financial Post Has the Largest Paid Circulation of Any Canadian Financial Paper

The detailed circulation statement we submit is the sworn statement of the Audit Bureau of Circulations, the recognized independent authority. THE FINANCIAL POST is the only Canadian financial paper submitting its circulation to the A.B.C. inspection.

ADVERTISING RATES

Single insertion—$3.64 per inch.
Debenture and Dividend Notices—26c per agate line.
Contract rates upon request.

SUBSCRIPTION PRICE

Canada, United States, Mexico, British Empire, $5 per year, all other countries, $6.

Published by
THE MACLEAN PUBLISHING CO., LIMITED
481 University Ave., Toronto 2.

Chairman of the Board—JOHN BAYNE MACLEAN
President—HORACE T. HUNTER
Vice-President and General Manager—H. VICTOR TYRRELL

MONTREAL—Dominion Square Bldg., Murray R. Chipman, Eastern Manager: John E. Langdon, Eastern Editor.
GREAT BRITAIN, London, Resident representative: J. K. Ross-Duggan, Sun of Canada Bldg., 2, 3 and 4 Cockspur St., London S.W.1. Telegraphic Address, Atabek, Lesquare, London.

THE FINANCIAL POST BUSINESS YEAR BOOK, YEARLY, $2.
THE FINANCIAL POST SURVEY OF CORPORATE SECURITIES, YEARLY, $2.
THE FINANCIAL POST SURVEY OF MINES, YEARLY, $2.
THE FINANCIAL POST RECORD OF PROSPECTUSES, HALF YEARLY, $7 per volume.
THE FINANCIAL POST CORPORATION SERVICE, $20 monthly. Special prices for selected part service.
DIRECTORY OF CANADIAN DIRECTORS AND OFFICIALS, YEARLY, $10.

TORONTO, MARCH 21, 1936

Ontario's Deficit, Debt and Hydro

IN HIS second budget address, Premier Mitchell F. Hepburn of Ontario announces that he expects a surplus of nearly $600,000 in 1936-37, due largely to cutting $7.8 millions off relief expenditures and adding $6 millions of income taxes to revenue. Expenditure of $20.4 millions for relief purposes in 1935-36 holds total expenditures close to record high levels, but increased revenue has cut the deficit to less than half the figure for 1933-34, as shown below:

Ontario's Budget and Estimates
(In Millions of Dollars)

	Years ending March 31		Year ended Oct. 31
	*1937	1936	1934
Net expenditures ...	71.7	81.4	80.7
Net revenues	72.3	67.9	50.1
Deficit including relief	.6†	13.5	30.6

*Budget estimates. †Surplus.

One of the striking features of Mr. Hepburn's address is his firm reiteration of his intention to balance the budget and his consistent honesty in including among ordinary expenditures the cost of unemployment relief. The deficit is apparently an honest one.

Unqualified approval cannot be given to the budget address, however, because Mr. Hepburn is less candid in explaining the provincial debt situation than in stating the deficit. In fact, by omitting material particulars, he appears to misrepresent the actual increase in the provincial debt.

Mr. Hepburn states that in the 11 months ended Feb. 29, 1936, the gross debt of the province increased $14,245,657. That this is not the whole truth is shown by a later statement in the address that securities of the province of the amount of $11 millions have been replaced by bonds of the Hydro-Electric Power Commission.

A major reason for the comparative smallness of the increase in the direct debt of Ontario is that it is withdrawing from the position of banker for the Ontario Hydro. In the past, the province has done much of the borrowing for the Hydro, has issued its own debentures and showed a debt owing from the power commission. Now the Hydro is paying back the province by doing its own borrowing. This serves to conceal part of the increase in the provincial debt.

Separation of the Hydro debt from that of the government should eventually make the respective financial situations more understandable to the average citizen, even if it does not remove Hydro from political influence. Meanwhile, however, Mr. Hepburn and his successors in office should follow the example of stating the debt increase as honestly as the deficit is now shown. And instead of promising a reduction of debt in 1936-37, it should be explained that this will be caused largely by repayments from the Hydro.

If Mr. Hepbuhn succeeds in his highly commendable efforts to balance the budget, he should be able to report a real decrease in the government's share of the combined debts, to the greater benefit of Ontario's credit.

Taxing Public Utilities

OF INTEREST to civic authorities all over Canada is the fact that a committee of the Toronto City Council has taken "the bull by the horns" and recommended taxation of Toronto's civic-owned utilities—the water works, electric system and the transportation system. The committee, headed by Ald. John B. Laidlaw showed itself as not lacking in political courage in making such a businesslike proposal. More timid, the City Council deferred action, deciding to submit the proposal to a plebiscite.

Apart entirely from whether Toronto could find other means of balancing its budget, such as further reduction in expenditures, the principle of the proposal is to be commended. Taxation of publicly-owned utilities is a sensible and economic measure. Such utilities should stand on their own feet. All over Canada, they have been too long supported by the taxpayers' dollar.

Publicly-owned utilities, like other corporations and individuals, benefit from services performed by the federal, provincial and municipal governments. Such services are identical in character and cost whether the corporation is privately or publicly owned. The cost is an integral part of the cost of the services rendered by utilities, and should be paid for by those who use the utilities. Exemption from taxation in the past has merely meant that the users of the utilities have been relieved of a portion of the cost of government services. The portion so waived has been passed on to the general taxpayer.

Thus a portion of the cost of the utilities are paid by taxpayers who are non-users. A non-resident who owns property in Toronto is contributing to the cost of maintaining the public utilities through his tax bill although he does not use these services. Many residents who own their own cars never use the street cars, yet they are asked to contribute to the cost of service rendered by the street railway system. On the other hand a great many of the customers of the utilities are non-taxpayers. Taxation of the utilities will make it necessary for these people to contribute something to the cost of civic government.

Toronto might take a leaf out of the experience of several western Canada cities where public utilities contribute substantial amounts to civic revenue. Even some that are exempt from taxation, are required to be operated at a profit. Profits are turned over to the general revenue account. Edmonton, for instance, had a net profit in 1935 of $904,314 on its five civic-owned utilities. This figure is after deduction of operating costs, depreciation charges and interest and sinking fund payments on debenture debt.

Critics of the proposal condemn it on the grounds that it will mean higher rates for services rendered by the utilities. If this is true then operations in the past have not been on an economic basis and services have been sold at below cost.

Great claims are made for public ownership. Its greatest contribution, however, will be to demonstrate that it can surpass private ownership in efficiency of administration and service when operating under identical conditions. As long as it is exempt from taxation it will not be able to do this.

Going After Traffic

HIGHWAY competition has made heavy inroads on railway passenger traffic and to date the Canadian railways have endeavored to maintain their position by improved equipment and special excursions. It has been a losing battle. The American railways, faced with the same pressing problem, have gone one better and reduced passenger fares. It may be a belated gesture, but still it is a recognition of the fact that previous counter-measures have been ineffective in meeting bus and automobile competition.

The increasing highway travel indicates that the people want to and will travel when the fare is attractive. Special excursions also have long since shown that the people will travel by rail when the fare is within reach of their pocketbook. Yet the Canadian railways have adhered to a tariff which puts a premium on travelling. The attempt of the American railways to recover passenger traffic through lower fares, therefore, is not without significance to the Canadian lines.

. . . And Please Enclose Cheque

AN INDIVIDUAL who receives one of the smart-looking invitations that the Canadian Chamber of Commerce is now sending out might feel himself honored. He would be much impressed by the gold engraved coat of arms at the top, but would pass on quickly to the next few lines:

The President and Directors
of
The Canadian Chamber of Commerce
cordially invite
....

At this point he would impatiently hasten to see whether he was to be a guest at the head table at the Chamber's annual banquet, or perhaps to be a minor officer on some national committee. Reading on, however, he would discover that he was being invited "to become an honor subscriber to their official magazine."

The difference between an honor subscriber and a regular subscriber is not made clear. But there must be some advantage to be an honor subscriber, for it is noted that a "special" rate of two years for five dollars is being offered.

The invitation is complete. Down in the lower left hand corner are the magic letters "R.S.V.P." In this case, a free English rendering of the letters would be "please send cheque."

A form is provided for acceptance. It too is complete. All written out for the customer are the words, "My cheque is attached". At this point the invitation ceases to be an invitation and becomes a serious business proposition.

If the recipient of the invitation glances back to the top of the card where the coat of arms of the Dominion of Canada is printed, he may or may not recall that Parliament has made it illegal to use the seal of Canada for any commercial purpose.

"An Act respecting Unfair Competition in Trade and Commerce," passed in 1932, provides:

> "No person shall be entitled to adopt for use in connection with his business, as a trade-mark or otherwise, any symbol consisting of, or so nearly resembling as to be likely to be mistaken for, . . . the arm or crest adopted and used at any time by Canada . . ."

No doubt the Canadian Chamber of Commerce has authority to use the crest of Canada as part of its own crest. But was such permission granted to the Chamber to be used on "invitations" to subscribe to a commercial publication?

The Canadian Chamber of Commerce claims to be the voice of business Canada. It has some notable accomplishments to its credit. Its chief asset is and must always be its prestige. Prestige is an intangible quality; an amalgam of many qualities.

A commercial firm may have great prestige; an association engaging in business, and using its association prestige to advance its commercial interest will soon lose its association prestige without acquiring commercial prestige.

The Chamber ought to keep its skirts clear of any suggestion of commercialism. It would be fatal to have the idea get out that the Chamber was just another job-creating or money-making racket. It has gone into the publishing business in preference to gaining the co-operation of some hundreds of established periodicals in Canada. It has no more reason for being in one branch of commercial business than another; no more reason for using its supposed independence and prestige for carrying on a magazine as a business than for selling office supplies, groceries, legal service or men's clothing, all of which are things its members buy.

The Chamber does itself an infinite amount of harm when it uses the coat of arms of Canada to solicit subscriptions for a magazine or to support itself in any other line of business it has no right to be in.

The Secretary of State probably will not rap the august officers of the Chamber over the knuckles. But the people who get the swanky invitation, only to find that the Chamber is lending its prestige to a commercial enterprise, may feel a little as though they had been imposed upon.

Borrow, Borrow, Borrow

IN HIS budget speech, Premier Hepburn of Ontario pointed out that his province's debt amounts to over $586 millions, in addition to which interest will have to be paid before the maturity of the different bond issues of $370 millions. He added:

> "The difference between raising money by loans and providing for all expenses by taxation is that, ... by borrowing there is the formation and growth of a great provincial mortgage which remains to oppress and enfeeble and impoverish the country.
>
> "Loans are more popular than taxes and, just because they are, their double mischief is disguised. The people do not feel that the government is taking money out of their pockets by borrowing. People think that a loan entails only a distant calamity. . . . . But this is not perceived by most of the people, and for the time at least their blindness to the true state of affairs reconciles them to a sore infatuation."

When people realize the truth of Mr. Hepburn's observation we shall have less difficulty and fewer problems of public finance in Canada. It is constant borrowing that has brought us to our present crisis. Only a pay-as-we-go policy will eventually relieve the pressure.

Editorial Notes

"Criticism," says Premier Pattullo, of British Columbia, "is not going to affect me," indicating that he is now taking notice of it.

Post-Scripts

In Defense of the Haggis

A MATTER of national importance as reported in Hansard, March 4, 1936:

Mr. W. A. Fraser (Northumberland): I should like to direct a question expressly to the Minister of Agriculture (Mr. Gardiner). A matter of national importance arises out of a communication I have received today from a prominent Canadian citizen:

> As a Scotsman born in Dumfriesshire of sheep stealing ancestors, I am passionately fond of the national dish of Scotland, namely, the haggis, and it always used to be my practice until a year or so ago to bring these out from Scotland in tins and consume them accompanied by the necessary neat Scotch whisky.
>
> Early last spring I was told that a permit was necessary from the Department of Agriculture of the Dominion government to bring haggis into Canada—

Mr. Mackenzie (Vancouver): Shame!

Mr. Fraser: —and after voluminous correspondence with that department I was informed that the permit would be issued by a certain health officer in Edinburgh who looked after such things for the Canadian government.

Some hon. Members: Order.

Mr. Bennett: Reading this letter is highly improper.

Mr. Speaker: I ask the hon. member to confine himself to putting his question.

Mr. Fraser: My question is, what steps will the Minister of Agriculture take in order that Scotsmen in Canada may be permitted to import haggis direct from Scotland instead of its having to come from France under the present regulation? It seems to me, Mr. Speaker, a matter of national importance.

Sayings of the Week

"Disarmament conferences are utter rubbish." —*George Bernard Shaw.*

* * *

"France will do well to reflect on my offers of understanding."—*Adolph Hitler.*

* * *

"To me, history is a jig-saw puzzle with half the pieces lost."—*Harold Bell Wright.*

* * *

"In talking to me, you are talking to a Neolithic man."—*Grey Owl, in a London interview.*

* * *

"Progress has acquired momentum now and changes will be more numerous and rapid in the future."—*Henry Ford.*

* * *

"Mr. Roosevelt's message on the state of the nation might have been entitled 'War on Earth and Ill Will Among Men'."—*Herbert Hoover.*

* * *

"The Frog hates the Heinie; the Heinie, the Jew. The world's in a hell of a hullabaloo."—*Frank Sullivan, world political commentator.*

* * *

"I've driven a million miles in automobiles and only struck one pedestrian. I was eating popcorn at the time."—*Barney Oldfield, famous auto racer.*

* * *

"The depression as a whole has made a startlingly small change in the thinking of the average American."—*Bruce Bliven, Editor, The New Republic.*

* * *

"In Hesse and Nassau official orders have been issued prohibiting the mating of bulls owned by Aryans with Jewish-owned cows."—*The Frankfurter Zeitung.*

* * *

"If at any time in this House I am caught speaking more than fifteen minutes, I hope some member will ring the bell on me."—*Herbert Wilson, M.P., Hamilton West.*

* * *

"I am willing to concede the advantage of a knowledge of law, but I do not think the lawyers in the House have a monopoly of brains."—*J. S. Woodsworth, M.P., Winnipeg.*

* * *

"The only reason we tolerate incompetents in public office is because it's cheaper to run post-offices than to maintain insane asylums."—*Walter B. Pitkin, author and teacher.*

* * *

"The English editing of European news for America has one great advantage. It makes for a homogeneous and harmonious output of information."—*Bernard Fay, French professor.*

In the Mail

Who Owns the C.N.R.

Editor, The Financial Post:

In your issue of February 29, S. T. Malkins, of Orrville, Ontario, asks: "Who owns the C.N.R.?" In your editorial note you would lead one to believe that the Canadian government owned the C.N.R.

It is not often The Financial Post is wrong, but in this case you are.

The C.N.R. is owned by the employees and is run solely for their benefit. They get whatever wages they demand. They work about the number of hours a day that suits them, and their families travel over the road free from one year's end to another. I don't think there is any doubt as to who own the C.N.R.

N. J. ROSS.
Buctouche, N.B.

On Sticking To Your Knitting

Editor, The Financial Post,

I noted with the greatest interest that J. J. Warren, president of Consolidated Smelters, advises us all to stick closely to our own knitting. ". . . . if everybody would mind his own business and keep from interfering with his neighbor, the country would make real progress in due course." (The Financial Post, Feb. 22, 1936).

Surely if there exists a company in Canada which demonstrates beyond dispute that attending strictly to one's own business will not result in prosperity, it is Mr. Warren's own Smelters. It has been caught between the world prices at which it sells and the domestic prices at which it buys. If Mr. Warren thinks that the efforts to bolster internal prices which were made (as, for example, by the tariff of 1930) have not affected his company adversely he deserves to be put through another depression like the last one to make sure that he does finally learn that lesson. I have the highest admiration for the technical skill of the officers of Smelters, but it is no reflection upon them to say that if the Sullivan ores were not unusually rich the company would almost certainly have been in serious danger in 1931-3.

Men in Mr. Warren's position dare not be narrow in their interests if they are to serve the interests of their companies effectively. I would wish that some big exporters of commodities could see their own positions clearly enough to speak out on these matters. After all, they would not be breaking new ground, but only following the lead of Sir Edward Beatty and of the Bank of Nova Scotia (to give but two examples), and they suffer grievously under current conditions.

ONE OF MR. WARREN'S SHAREHOLDERS,
Kingston.

Proud Walkerville

Editor, The Financial Post:

The press of Ontario is being earnestly requested to assist Walkerville to regain its status as a municipality. Walkerville is proud of its reputation as a community and its people see no reason for uniting with neighboring Windsor municipalities which were in serious financial straits.

In the Ontario election campaign Hon. D. A. Croll, now Minister of Municipal Affairs, promised faithfully that there would be no amalgamation as far as Walkerville was concerned without consent of the people. That promise, however, was broken.

Walkerville is suffering financially as a result of the merger. But beyond that is the principle of democratic control. The town always objected to the amalgamation.

By bringing the whole matter to the attention of the press, it is believed that Premier Hepburn may be aided in correcting the situation. We realize that he is in a difficult position by reason of the fact that the merger is a government measure. But surely there can be no crime in attempting to correct a mistake.

A. W. MACMILLAN.
Walkerville, Ont.

The Key Problem

Editor, The Financial Post:

I have noticed in your recent edition that you have been asking for Canada's five chief problems, and the future of Canada for the next five years.

I contend that there is only one problem of any magnitude that at the present time is facing Canada and that is "employment."

Employment is the most important factor and can be subdivided into the following ranks after the chief problem of employment. These are:

1. Debt.
2. Taxes.
3. Education.
4. Health.
5. Wastefulness.

I would also like to mention that these subdivisions are of importance as to the rank in which they are mentioned here. Employment is the chief and only problem of Canada today and the rest are all contingent upon Employment.

GEO. H. CAMERON,
Saint John, N.B.

Railway Wage Rates

Editor, The Financial Post:

"Faint heart never won fair lady," your cartoon of March 7 illustrates my views on the railway problem.

The railway problem can be slowly solved by increasing our population with a quarter million immigrants annually from the British Isles.

It can be solved quickly by a Hitler who would abolish union labor control.

Many railway workers have told me that they would willingly go back to 1914 rates of pay, plus 10 per cent only, and to the 1914 hours with steady daily work, instead of two days a week, or three hundred miles, getting a small weekly wage at the maximum hourly wage. This hourly wage reflects in the freight and passenger rates and thus encourages truck and auto competition, closes branch lines, reduces the number of trains on main lines and kills the goose that used to lay their golden eggs.

There are none so blind as those who will not vision what fate has in store for them, and for the taxpayer, a decade hence.

They will not understand that high wages and shorter hours mean higher cost of production, and higher commodity prices to the consumer, restricting our export markets, adding more and more to our unemployed, the net result making the wage earner worse off. My father taught me that it was better for the community that he raise two hundred bushels of potatoes to the acre to sell at fifty cents a bushel, than to raise one hundred to the acre and sell for one dollar a bushel. Selfish union labor preaches fifty bushels to the acre at $2 a bushel.

Why should the railway worker's hourly wage be three to five times the wage of the farmer and the non-union worker, who form eighty per cent of the population, and who contribute as much brain and brawn to the daily task?

J. BRUCE PAYNE.
Granby, P.Q.

Other People's Views

Fair Treatment For Capital

Hon. Frank Carrel, in Quebec Chronicle-Telegraph

Never more than at present was there a period in the history of Canada, when the credit of our country was required to be at its best.

Canada's undeveloped mineral resources are worth unlimited billions, but useless while lying dormant in the ground. Faith, confidence, courage, labor and capital are essential to their production.

But these will not materialize. Unless we can make an effort to establish the highest integrity in all our public life, and mete out fair treatment to foreign capital when it enters our industries.

Vancouver Sun

Real Social Credit

The average earner's income over all Alberta is probably not over $80 a month.

A dividend of $25 a month would therefore mean an additional purchasing power of about 30 per cent.

The only way Alberta could pay a dividend now would be by taxing its existing production. It cannot borrow for such a purpose, because Mr. Aberhart finds that he will need the limit of his borrowing powers even to set the government ship on an even keel.

But Alberta is not a self-contained province. Thus to tax existing business would be largely to tax distribution costs, rather than profits.

The next effect would be to raise the cost of living, until the benefit of the dividend would be wiped out by higher prices for food and goods.

Alberta's real dividend will come from increased business. It will come from policies which speed up the turnover of goods, cheapen the production costs of farmers, and develop more of Alberta's great resources.

When business and industries and pay rolls are 30 per cent higher than they were at the Social Credit election, then the people will have the equivalent of their $25 a month extra.

That is a job of political and social and business statesmanship. It is a job not only for Alberta, but for all Canada.

As Others See Us

War Lords to Blame

Kingston Whig-Standard

Discussing the debate in the Commons last week on ways and means of meeting the problem of unemployment, when members voiced their views as to the causes of our troubles as well as proposals for bringing prosperity, The Financial Post remarks that "almost everything and everybody got a share of the blame except the major culprit —the Great War."

If all the world has suffered in the aftermath of war, those engaged in the struggle have suffered disabilities from the burden of war debt that the countries on the sidelines have escaped. The record of Sweden during this depression presents, perhaps, as good an illustration as any of what a difference the absence of such a burden means.

Get Down To Business

Ottawa Journal

Daily newspapers that have been protesting against the conduct of public affairs in the Ontario Legislature now are joined by The Financial Post. Vituperation, says The Post, has been "the order of debate" since the present session opened, with bickering and squabbling, accusations and abuse.

What is notable in this legislature is the conspicuous lack of public-spirited leadership. Mr. Hepburn and his ministers seem to be concerned primarily with their political fortunes. There is little to indicate any realization on their part that, having been entrusted with power, they represent all the people of the province, not merely one political party. The Opposition tries to make up in aggressiveness what it lacks in numbers, and so the sessions are marked by humiliating and undignified episodes that cannot impress the people of Ontario with the quality of Queen's Park statesmanship.

The people, we think, are not concerned greatly with Mr. Hepburn and his associates as politicians. They put him in office because he promised greater efficiency than was given by the Henry Government. They are not interested in fighting over and over again the old campaigns on issues now dead. They want to see the legislature get down to business and effect all the improvements they were told would follow a Liberal victory. Mr. Hepburn had his victory, a resounding triumph, but about all the people have had out of it so far is higher taxes.

Stop Me If You've Heard This One

A successful business man, after eight years of absence, alighted at the station of the old home town. There was, despite his expectations, no one on the platform whom he knew. No one.

Discouraged, he sought out the station master, a friend since boyhood. To him at least he would be welcome, and he was about to extend a hearty greeting, when the other spoke first.

"Hello, George," he said. "Going away?"

Attention to Investment Problems by Mail

Letters from clients asking for information on investment subjects or desiring to buy or sell securities receive prompt and careful attention. Transactions by mail with many of our out-of-town clients have been carried on for years with satisfaction.

A complete investment service is available at any of our branches.

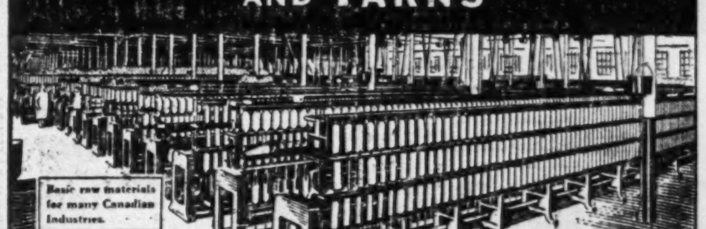
A. E. AMES & CO.
LIMITED
Business Established 1889
TORONTO
Montreal Winnipeg Vancouver Victoria New York London, Eng.

NATIONAL LIGHT AND POWER COMPANY LIMITED
6% FIRST MORTGAGE SINKING FUND GOLD BONDS
Due November 1, 1949
PRICE 99.50 AND ACCRUED INTEREST TO YIELD 6.05%

Average coverage of bond interest after all prior charges 1.72 times for five years ended December 31, 1935. Full particulars available upon request.

McLEOD, YOUNG, WEIR & Co.
LIMITED
Metropolitan Building, Toronto
Ottawa Montreal Telephone: Elgin 0161 London Hamilton

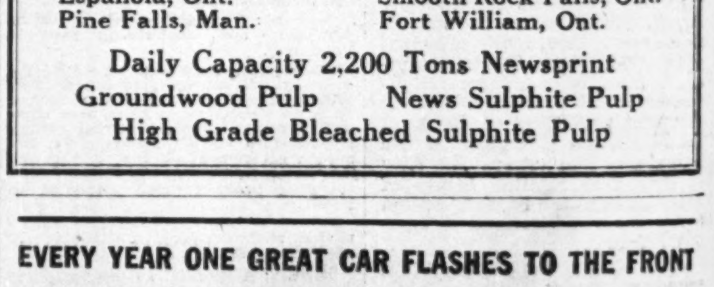
COTTON FABRICS AND YARNS



DOMINION TEXTILE COMPANY
LIMITED
MONTREAL TORONTO HAMILTON WINNIPEG VANCOUVER

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning and operating mills at
Beaupré, Que. Sault Ste. Marie, Ont.
Sturgeon Falls, Ont. Iroquois Falls, Ont.
Espanola, Ont. Smooth Rock Falls, Ont.
Pine Falls, Man. Fort William, Ont.
Daily Capacity 2,200 Tons Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp

EVERY YEAR ONE GREAT CAR FLASHES TO THE FRONT
STUDEBAKER WINS IN GAS ECONOMY CLASSIC OF AMERICA
GILMORE-YOSEMITE 352-MILE RUN


DICTATOR 6
FIRST IN ITS CLASS
24.27 MILES PER U. S. GALLON
29.12
MILES PER IMPERIAL GALLON
PRESIDENT 8
FIRST IN ITS CLASS
20.34 MILES PER U. S. GALLON
24.40
MILES PER IMPERIAL GALLON

UNDER American Automobile Association supervision, a stock Studebaker Dictator led its price group in the American gas economy classic earlier this year. In fact, the Dictator's official record of 29.12 miles per Imperial gallon excelled that of lowest priced cars in the same event!

The new Studebakers offer 97 featured advancements. Helen Dryden smartness in every lovely line! The world's strongest steel body and largest one-piece steel top! Feather-touch hydraulic brakes! Delightful roominess and matchless riding comfort!

3-Passenger Coupe
FULLY EQUIPPED
$1057
DELIVERED AT FACTORY
Freight Only To Be Added
Studebaker's new 7% C.A.C. Plan offers a new "low" in time payments.

The Studebaker Corp. of Canada, Ltd.
Walkerville, Ont.

Week in Business

Foreign Trade Boost Bright Spot of 1936

Though foreign trade in the first quarter of 1936 has shown very marked improvement over last year, domestic business has been somewhat disappointing although volume continues on the average from 5 to 10 per cent above corresponding figures for 1935.

Based on January and February returns our export trade with all countries has risen nearly 25 per cent in 1936 while imports are higher by 14 per cent. Analysis of United States figures shows a gain of 27 per cent in our exports to that country for the two months. Import figures for February are not yet available.

* * * *

So far this year weather has been the most important single influence in the trade picture. It has slowed up the potent automotive business; has put a Dominion-wide crimp in retail trade and has boosted coal movement over Canadian railways to the highest point in seven or eight years. But Easter is less than a month away and much of the business that was postponed in chilly February and stormy March may develop rapidly once spring sunshine and balmier breezes appear.

* * * *

And looking even farther ahead a C. P. R. official on a western inspection trip has already forecast a 400,000,000 bushel crop for 1936—"given an average growing season." In the meanwhile the increased purchasing power which came in 1935 to Maritime farmers is already boosting trade in that area, according to last week's speech from the throne at Halifax which records also a 27 per cent decrease in those on relief in Nova Scotia. Perhaps the fact that the government is anxious to make the best of its year of stewardship has something to do with a glowing report but undoubtedly the feeling in that part of the country has been better in recent months despite the crippling of trade due to wintry weather.

* * * *

War news continues to dominate the world trade situation but developments of the past week seem to have left little mark on business activity in the United States which in common with business in Canada shows signs of moving forward again after the retarding influence of cold weather.

Business Indicators

Changes of the Week

Favorable

Carloadings moved forward into the highest ground of the year during the first week in March. Heavy grain and coal loadings were largely responsible.

Newsprint production made an increase of 22 per cent in February, for the best total on record for that particular month.

Bond sales in February continued the high level of the previous month and were more than five times greater than the corresponding figure of $25.7 millions in 1935.

Leading Indicators as Compiled by The Financial Post

▲Denotes new figures this week.

WEEKLY DATA	Latest 1936	Latest 1935	Cumulative Total Jan. 1 to date 1936	Cumulative Total Jan. 1 to date 1935
Transportation—				
Car loadings (Mar. 7)	▲45,410	41,823	412,327	424,974
C.N.R. gross earn. (Mar. 7)	$ ▲3,304,020	$ 3,112,945	$ 28,713,061	$ 27,647,064
C.P.R. gross earn. (Mar. 7)	$ ▲2,413,000	$ 2,242,000	$ 21,016,000	$ 19,164,000
Business Conditions—				
Weekly index D.B.S. (Mar. 7)	▲108.6	99.6	......	
MONTHLY DATA	1936	1935	1936	1935
Business Conditions—				
Financial Post index (Jan.)	107.6	97.1	......	......
Transportation—				
C.P.R. net earnings (Jan.)	$ 612,572	$ 204,313	......	......
C.N.R. net revenue (Jan.)	$ ‡576,330	$ ‡746,353	......	......
Iron and Steel (Jan.)—				
Pig iron production (tons)	61,336	44,416	......	......
Steel ingots and castings prod. (tons)	100,225	59,526	......	......
Automobiles (Number)—				
Passenger Car:				
Domestic sales* (Jan.)	4,730	2,857	......	......
Factory output (Jan.)	11,370	8,269	......	......
Trucks and Buses:				
Domestic sales* (Jan.)	814	615	......	......
Factory output	2,041	2,338	......	......
Exports (Jan.)	5,082	4,586	......	......
Construction—				
Building permits (Jan.)	$ 1,283,716	$ 882,878	......	......
Contracts awarded (Feb.)	$ 8,227,700	$ 10,672,200	$ 21,836,100	$ 28,892,300
Newsprint (tons)—				
Production (Feb.)	▲221,569	130,305	449,524	382,264
Exports (Dec., 1935)	277,743	245,135	2,574,987	2,399,606
Sugar (lb.)				
Melting & shipments§ (raw)	20,434,690	20,633,450	41,489,975	37,767,119
Manufactured§	20,769,861	25,678,831	44,814,535	55,480,112
Flour (bbls.)				
Production (Jan.)	981,988	1,024,958	......	......
Wheat flour exports (Feb.)	▲340,102	309,729	654,413	655,828
Trade (January)—				
Retail trade (index no. of sales)	70.0	69.2	......	......
Imports	$ 40,590,276	$ 37,229,405	......	......
Exports	$ 54,417,324	$ 43,901,826	......	......
Wheat exports (bush.) (Jan.)	7,557,320	5,380,266	......	......
Employment, D.B.S. Index (Feb. 1)—				
All industries	98.4	94.6	......	......
Manufacturing	98.5	90.1	......	......
Electric Power Output (Jan.)—				
Total monthly (000's omitted)	2,091,041	2,012,742	......	......
Aver. daily	67,452,000	71,444,000	......	......
Other Industrial Indices—				
Lumbering:				
Plank & board exports M. bd. ft. (Jan.)	72,236	75,191	......	......
Boot & shoe prod., pr. (Jan.)	1,153,959	1,329,880	......	......
Crude petrol., imp., gal. (Jan.)	61,131,349	59,948,284	......	......
Cotton imports, lb. (Jan.)	19,939,607	11,068,000	......	......
Raw rubber imp., lb. (Jan.)	3,938,272	5,980,505	......	......
Coal imports, tons (Jan.)	452,678	479,026	......	......
Finance—				
Bank debits (Jan.)†	$ 2,992,068	$ 2,682,050	......	......
Bond sales (Feb.)	$ ▲138,913,775	$ 25,734,700	$ 272,570,889	$ 44,961,200
Life insurance sales (Jan.)	$ 34,221,000	$ 32,988,000	......	......
Automobile Financing—				
Used cars (Jan.)	$ 974,896	$ 513,076	......	......
New cars (Jan.)	$ 1,035,878	$ 651,272	......	......

*D.B.S. All-Canada figure comprising over 90% of the Canadian total. †000's omitted. §For 4 weeks to Feb. 22, 1936. ‡Deficit.

B. C. Business Gains Strength

From Our Own Correspondent

VANCOUVER. — In his budget speech Hon. John Hart, minister of finance said the expectation for improved industrial conditions had been realized. He pointed out that—

Lumbering showed a 20 per cent increase over 1934, but with prices down values did not increase proportionately.

Mineral production totalled $47.8 millions; more than $5.5 millions over the previous year.

Conditions in the fishery industry were more satisfactory and prices favorable to the fishermen.

Agricultural conditions generally satisfactory.

Canadian Industries Ltd. Plans New Solvent Unit

From Our Own Correspondent

MONTREAL. — Canadian Industries Ltd. announce that plans have been made for the erection of a new plant at Shawinigan Falls for the manufacture of trichlorethylene, a non-inflammable solvent used mainly for dry cleaning, metal decreasing and the solvent extraction of fats and oils.

Construction of the new unit will commence in May and it is expected the plant will be ready for operation by the end of August.

This represents the third enterprise at Shawinigan Falls by Canadian Industries Ltd. Already in operation there are the Cellophane plant and a plant for the production of hydrogen peroxide.

Investment Information

We are glad to furnish investors with information and quotations on any Government, Municipal, Public Utility or Industrial Bonds in which they may be interested. Our statistical records cover most Canadian issues.

Correspondence enquiries invited.

Royal Securities Corporation
Limited

244 St. James Street
Montreal

330 Bay Street
Toronto 2

Offices throughout Canada; also in New York and London.

What's What In Advertising

By TORY FLEMING
Editor, Canadian Advertising

This year's advertising appropriation of the Sterling Products Ltd., Windsor, is the largest in its history. In referring to a steady increase in sales during 1935, H. L. Schade, president, told shareholders at the annual meeting that 1936 advertising will be placed in 506 newspapers and 25 magazines, involving a big increase in total expenditure. Products of the company include Phillip's Milk of Magnesia, Dr. Lyon's Tooth Powder, California Syrup of Figs, Mulsified Cocoanut Oil Shampoo, Cascarets, Diamond Dyes and Tints, Midol, Castoria and other drug sundries.

O. F. Burkart is joining the Tandy Advertising Agency, Toronto, as vice-president. During the past 17 years he has been acting as advertising counsel to many Canadian and British-American manufacturers.

Clarence Nelson has joined the staff of the MacLaren Advertising Company, Toronto. He is the son of the late John Nelson, well known as public relations manager of the Sun Life.

D. F. Kent has been appointed to take charge of the merchandise service department of Collin & Aikman of Canada Ltd., Toronto, makers of automobile and furniture upholstery and fabrics. Mr. Kent's former connections in the advertising and sales promotion field included Coca-Cola of Canada.

Leaving the sales department of the Canadian General Electric Co., Gordon C. Davidson returns to the MacLaren Advertising Co. where he will specialize in electrical merchandising.

The 1936 advertising for Westinghouse refrigerators, opening with double-page and page space in color in national magazines, features the Golden Jubilee series. Ferres Advertising Service, Hamilton, is handling the account.

F. W. Hunt leaves Industrial Advertising Agency to join the new Toronto office of the Benison Co. Mr. Hunt has been active in advertising circles in Toronto for a number of years, at one time operating an agency under his own name.

Norris-Patterson Ltd., Toronto, have been appointed by Powerlite Devices Ltd., of that city, to handle the firm's advertising account.

Thornton Purkis, Toronto, is now directing advertising for Underwood-Elliott-Fisher in Quebec and the Maritimes. Advertising in Ontario will continue to be placed by J. J. Gibbons Ltd., Toronto.

The Canadian appropriation of Meltonian Ltd., British manufacturers of boot and shoe cream will be increased this year.

W. F. G. Camm has been appointed to the staff of Harry E. (Red) Foster Agencies, Toronto. He leaves the Canadian Magazine to take a place in the programme and radio departments of the Foster agency.

Advertising of Cords Piston Rings, Vancouver, hitherto confined to trade papers as far as Eastern Canada is concerned, will be extended to include newspapers.

Succeeding A. J. W. Loader, P. K. Abrahamson has been appointed advertising manager of the Borden Co. Ltd., Toronto. He was formerly assistant advertising manager of the firm in New York. Mr. Loader continues his connection with Borden in Canada.

Advertising for John Begg, Royal Lochnager and Watson's No. 10 scotch whiskies, brands of the Distillers Co. of Canada, are now directed by A. McKim Ltd.

The advertising account of the Canada Steamship Lines Ltd., goes to Cockfield, Brown & Co., Montreal office.

Chrysler Corp. of Canada will sponsor the Spring Flower Show at Montreal this year, March 31-April 4. The "Court of Style" which featured the company's cars at the National Motor Show last fall will again be used as a background for 1936 model showings. Chrysler is also planning its spring newspaper campaign which will feature a "Welcome Week" for Chrysler and Plymouth cars and an "Open House Week" for Dodge and DeSoto, inviting the public to dealers' showrooms.

Service Station Equipment Ltd. has appointed J. J. Gibbons Ltd., Toronto, to direct advertising for Hostess Refrigerators and Fess Oil Burners. A newspaper campaign for the refrigerator line is scheduled to open in May, while a broadside will be mailed to consumers in the meantime.

A new advertiser makes an appearance on the Canadian horizon in Ilford Ltd., London, England, makers of Celo Chrome film. Copy is appearing in rotogravure sections and is being placed by McConnell, Baxter & Eastman, Toronto.

Commodity Prices

	Latest week	Previous week	Same week last yr.
Cattle	$6.50	$6.75	$7.50
Hogs	9.00	9.10	8.65
Copper, lb.	.09¼	.09¼	.09
Cotton, lb.	.1136	.1132	.1120
Rubber, lb.	.16	.1588	.1106
Sugar, raw, lb.	.0355	.0355	.03
Silk, lb.	1.68	1.70	1.33
Wheat (Man.) bus.	.83¼	.82¼	.81⅛
Coffee, lb.	.06¾	.06¾	.07¾
Weekly Indices			
N. Y. Annalist	124.5	125.0	123.9
Fishers'	82.4	82.8	81.7
N. Y. Journal of Comm.	79.4	79.3	79.6
Crumps (Brit.)	68.1	68.2	63.3
U. S. Labor	79.7	79.9	79.6
Canada (D.B.S.)	72.5	72.5	72.4

Monthly Indices

	Latest month	Prev. month	Same last year
Canada (D.B.S.)			
Retail (Jan.)	80.8	80.8	78.8
W'sale (Jan.)	72.9	72.6	71.4
U. S. Labor (Jan.)	84.4	84.6	82.7
Gt. Brit. (Jan.)	77.2	77.3	72.0

Note: Indices on all base 1926 = 100. British index is Economist converted to 1929 base, U. S. 1929 base.

Base of price quotations is as follows: cattle—steers, good, over 1,050 lb., top price. Toronto: copper—electrolytic, New York: silk—Japanese, 13-15, New York: Sugar — 96 degrees centrifugal c/f New York: wheat—No. 1 Man. North., Ft. W.-Pt. A. basis; hides—heavy native steers; select bacons, Toronto.

Background of Business

New Competition Seen In Light Bulb Field

English Electric Co. to Produce New Product — Cuba Raises Tariffs — Florists React to Pact

Tucked away in the annual report of English Electric Co. this week is a reference to a development which may have an important bearing on the type of electric light bulbs Canadians will burn in the next few years.

The report states the company has completed "a favorable arrangement to manufacture and sell incandescent lamps in Canada in association with one of the largest manufacturers of this class of lamp in Europe. The arrangement includes the rights to the coiled-coil lamp which is quite new in this country and is of higher efficiency and longer life than the lamps now available here."

A new plant is to be erected probably by a separate subsidiary company, and the company hopes the new product will be on the market by October. All types and sizes of bulb will be erected.

* * *

To Stress Longevity

When placed on the market the new bulbs will not be sold at cut rate prices, The Financial Post is informed, but will be merchandised on the basis that for the same price there will be purchased a bulb with as much as fifty per cent greater life than standard brands now on the market.

Some idea of the importance of the incandescent bulb market in Canada is indicated by 1935 figures compiled recently at Ottawa which showed sales last year of 21.4 million standard size bulbs valued at $3.9 millions and 9.6 million miniature sizes valued at over $600,000. In addition there were imported $728,000 of bulbs from the United States the bulk of which came from United States and a few from Japan.

* * *

Say It With U. S. Flowers

Canadian florists who are vehemently opposing the treatment they received at the hands of the Canada-U. S. trade pact, report that some competition has developed in the sale of low-price U. S. flowers in Canadian stores but that a scarcity of product among growers in the States has prevented heavy importations. Official trade figures in January showed imports of cut flowers at $11,323 from the U. S. in that month compared with no imports in the same month a year ago.

There have been sufficient indications (say Canadian growers) to show that at a time when the flower market is normally active — viz. Mother's Day, Easter, Christmas, etc. the U. S. competition would be very serious and that under existing regulations Canada will be a dumping ground for surplus flowers whenever the supply in that country gets ahead of demand.

* * *

Cuba Hits Back

Cuba has decided to impose the maximum tariff on all Canadian goods shipped to that island after March 10, although efforts are being continued by the Canadian Government to get entry for Canadian exports under the minimum tariff.

Maximum tariff is double the minimum rate, which Canada has enjoyed for some time past. It is imposed because Canadian purchases have been less than 25 per cent of purchases by Cuba from Canada.

According to Hon. W. D. Euler, Minister of Trade and Commerce, trade statistics between the two countries are greatly at variance because many Canadian purchases from Cuba are made through agents or merchants. A supplementary statement by Mr. Euler reported that unofficial notice from Havana had been received stating Canadian cod would remain on the minimum tariff until October at least.

* * *

Poultry Men Gain

The trade in live poultry from Canada to the United States has again become a factor of considerable importance to the poultry industry in Western Ontario as a result of the tariff reductions made effective under the recent Canada-U. S. trade treaty. During January, 1936, shipments of live poultry to near-by United States points, chiefly Buffalo, N.Y., amounted, according to unofficial figures, to 11,233 head. In January, 1935, shipments totalled only 566 head. By the terms of the treaty the United States duty on live poultry was fixed at four cents per pound. It previously had been eight cents.

Shipments are made up largely of fowl. Prices on live fowl at Montreal and Toronto at present are approximately five cents higher than last year.

* * *

York Trading Report

The recent annual meeting of shareholders of York Trading Co. disclosed to shareholders what had been accomplished through the purchase of a new warehouse, the installation of refrigeration, improved heating facilities and reduced insurance rates, says Canadian Grocer. The results attained through the opening of branch warehouses in Belleville, Hamilton, Kitchener, Orillia and Owen Sound come in for attention.

Volume of business for 1935 was reported as showing a substantial increase over 1934. The regular dividend was declared on all paid-up shares on record December 31, 1935. Business in January and February this year was reported as higher than the same months in 1935.

* * *

Shaving Problems

Chemists are still seeking a shaving cream which may be used either as a "brushless" or a soap cream, according to Drug Merchandising.

The problem apparently is to develop a cream which will eliminate shaving irritation, that being the only reason for the use of this commodity, rather than ordinary soap.

The problem apparently is to hold the beard stiffly erect so as to be cleanly cut, which is one thing which makers of brushless creams were apparently able to achieve. Wetting or softening of the beard, apparently, is in itself a comparatively small factor in the successful performance of this operation.

A search for a combination cream still continues to exercise the active minds in the cosmetic industry.

* * *

B. C. at London

The vastly increased trade between Great Britain and British Columbia is often evidenced in the docks of the Port of London, says P. L. A. Monthly.

As a tangible instance, it records that recently no fewer than nine vessels aggregating nearly 60,000 tons and mostly of modern type were discharging cargo—grain, fruit, canned goods and other produce of that "well favored" province.

* * *

Trained Personnel

"Personnel training and progress rating is a well-organized function of our operations," said H. A. Stone, general manager of the Vancouver branch of the Hudson's Bay Co., recently.

"Progress is carefully watched and promotions made accordingly. About 50 questions relating to each employee must be answered every six months, and as a result practically all recent promotions have been from within the ranks of the staff."

Retail merchandising, he said, has become a highly scientific business. "It is our job to know the markets of the world, and we cannot know too much about them."

* * *

Private Brand Shirts

Private brands in shirts appear to be definitely increasing in number, says Men's Wear Review.

According to an official of one of Canada's largest shirt manufacturing companies, "The trend is toward private brands. Large and small retailers alike are turning toward their own brands of shirt for something around which they can build a safe, sure business."

* * *

New Source of Rubber

An important shift in Canada's source of raw rubber imports is seen in analysis of figures for the calendar year 1935. Proportion of Canadian imports from the Strait Settlements jumped from 13 to 64 per cent in that year, while U. S. imports in the same period dropped from 86 to 32 per cent.

Total value of imports dropped slightly to $6.9 millions, compared with $7.6 millions the previous year. On the basis of poundage 1935 imports were just over 60.2 million pounds, of which 38.3 millions came form British Straits Settlements and 19.4 millions from the United States.

Correspondents
THE KENTERNE TRUST LIMITED
London, Eng.
MANNING & CO. LIMITED
Barbados, B.W.I.
AGOSTINI BROS.
Trinidad, B.W.I.
JOHNSON & COOPER
Bermuda

W. C. Pitfield & Company
Limited
INVESTMENT SECURITIES
Head Office
235 St. James Street West
MArquette 9321
MONTREAL
Private Wire—Halifax to Vancouver, with connection at Saint John, Montreal, Ottawa, Toronto, New York, Winnipeg and Calgary.

Branches
VANCOUVER
TORONTO
OTTAWA
QUEBEC
SAINT JOHN
MONCTON
FREDERICTON
CAMPBELLTON
CHARLOTTETOWN
HALIFAX

THE Royal STETSON

Pride OF OWNERSHIP...

You'll find the Royal Stetson in the inner sanctums of Wall Street . . . in the clubs along The Mall—wherever men with "pride of ownership" foregather. It is a hat specifically designed for those who expect and demand the best. Made in Canada, it is priced at ten dollars and is available at the better hat stores.

Other Stetsons are $6.50 (unlined $6), $8 and up.

JOHN B. STETSON COMPANY (CANADA) LIMITED
Brockville Ontario

The Royal Stetson

The Mark of the World's Most Famous Hat

MOUSETRAPS and MODERN MERCHANDISING

"If a man write a better book, preach a better sermon or build a better mousetrap than his neighbor, though he build his house in the woods, the world will make a beaten path to his door."

Modern Business has just about exploded the Mousetrap myth. It has learned that even the best article will not sell itself, that the beaten path too often leads to a competitor's door. Manufacturers who have devoted all their efforts to producing a superior product are awakening to the realization that they have neglected to create a market for it.

The successful manufacturer of today must be "selling minded" if he is going to survive in the battle for business.

We are doing work for two nationally known concerns which manufacture products that are strikingly similar in quality, price and sales potentialities. Manufacturer "A" has twice the sales volume of "B" and his sales are constantly increasing; yet "B's" product has a decided advantage in style, utility and value.

Why, then does "A" do twice the business "B" does?

"A" is selling minded . . . . "B" is mechanically minded.

Is *your company* "selling minded?" If not, you are certainly going to have a tough job during 1936, competing with selling minded manufacturers.

The May Company is handling some of the largest sales analysis jobs in America. By making manufacturers selling minded, we are helping them to substantially increase sales. Why not take advantage of our experience? It may be just the "missing link" you need in solving your own sales problems.

WRITE OUR NEAREST OFFICE FOR SALES ANALYSIS MAY FACTS Nos. 3 and 7

GEORGE S. MAY, Limited
18 Toronto St., Toronto

CHICAGO: 2600 North Shore Ave.
SEATTLE: 747 Dexter Horton Bldg.
NEW YORK: 122 East 42nd St.
HUGO, OKLA.: P. O. Box 43

Investors Vulnerable —

Ontario Companies Act Leaves Loopholes Securities Commission Cannot Plug Under Blue Sky Laws

By C. W. STOLLERY

The letters of the alphabet from A to U are used in the Ontario Companies Act to list the "incidental" powers of a company born under the statute.

Just now the Act is out of print, according to the King's Printer.

If the by-laws of a company so provide, an Ontario-incorporated firm need not send an annual report to shareholders!

Other laxities in the Ontario Companies Act are so numerous that a volume would be required for adequate listing and explanation. Some of the results are stressed in this article.

There is a paradox in the latitude allowed under the Companies Act and in the energetic supervision of investment dealings under other laws. For instance, Ontario has such supplementary acts as these:

Security Frauds Prevention Act.
Companies Information Act.
Corporation Securities Registration Act.

Securities Commission

The Ontario government has an active and efficient administration of these "blue sky" laws for the protection of investors under John M. Godfrey, Securities Commissioner.

The Securities Commission works hard to prevent fraudulent issues of new securities and to see that investors get sufficient information on new offerings to have at least a run for their money. Successful efforts have also been made to regulate trading in securities that are already outstanding.

Spigot or Bunghole?

Because of the laxities of the Ontario Companies Act, however, the Securities Commission is hampered in dealing with companies that issued their securities long ago. Such securities may be listed on stock exchanges, and the companies may supply inadequate information to the public. Buying and selling of such issues is an every day occurence. The investor may invest in stocks or bonds that he would not touch had he been able to go on complete information.

What the Securities Commission plugs at the spigot may be lost through the bunghole, or perhaps it is the other way around. The striking paradox is that the Securities Commission diligently attempts to have satisfactory information on new issues and to regulate brokers and salesmen, but that the Ontario Companies Act fails miserably to ensure that the ordinary investor will be kept informed after a company has been operating for some time.

Good Resolution

Until it was revised in 1934 and 1935, the Dominion Companies Act was regarded as one of the loosest incorporation laws in Canada. Now it is one of the most exacting.

The contrast between the new Dominion law and the present loose provincial laws led the recent Dominion-provincial conference at Ottawa to adopt a resolution to draft uniform company laws for the ten Canadian governments.

There is the danger that this resolution will suffer the fate of most New Year's resolves. Besides, there is a major objection to the proposal of uniform laws in the question: Why more than the one companies act?

Sins Legalized

It would be a mistake to suppose that the Ontario Companies Act is the only sinning statute of its kind. The Quebec Companies Act is also inadequate in requiring information for investors.

In both Ontario and Quebec, there are numerous larger companies that go beyond the statutes in disclosing information for the benefit of their shareholders and bondholders. That some companies do this is to their credit and is also evidence of the inadequacies of the provincial laws.

While some provincial companies provide considerable aid in the form of information to shareholders, there are many Ontario firms that don't. To the extent it is done deliberately may be the fault of the companies. To the extent it is legalized by the Ontario Companies Act, however, is the fault of the government, which maintains a Securities Commission, but neglects its own duty to the investing public.

How it Works

The mysterious way in which the Ontario Companies Act works to allow some companies their wonders to perform is best illustrated by example. Instances, which follow, show some of the things that companies do, or neglect to do, for their investors, with the legal blessing of Ontario law:

* * *

Real estate companies formed to operate large buildings are usually provincial companies. Very often they do not make financial statements available to their bondholders.

Even companies that have defaulted bond interest are able to keep their affairs obscure to the ordinary small bondholder. One result of nonissuance of statements was to allow many real estate companies to get deeply into debt for taxes before bondholders found out about it through cessation of interest payments.

Real estate companies regard themselves as private and hence do not divulge willingly their precise financial position. When bondholders' interests are jeopardized, however, or even when a public issue of bonds or stock is floated, it would only seem reasonable to expect regular financial statements.

* * *

Ajax Dividends

Ajax Oil and Gas Co. illustrates how a company producing from wasting assets can pay dividends while nursing a deficiency in working capital and a deficit in its income account. For 1932, 1933 and 1934, the company's net profits totalled the equivalent of 13 cents a share. Dividends of 28 cents a share were paid. The deficit rose from $46,000 in 1931 to $190,000 at the end of 1934 and working capital of $20,000 in 1931 turned into a deficiency of $77,000 in 1934. Little wonder payments were suspended in 1935. Meanwhile, however, were the payments misleading to investors who dealt in the shares?

* * *

Dairy Corp Delay

Dairy Corp. of Canada exemplifies an Ontario company that has not yet issued a complete financial statement for 1934, much less for 1935. A statement would at least made the situation clear. Meanwhile holders of the company's debentures are puzzled to know whether the price of about 24 is low or high, having no adequate basis upon which to appraise the security.

* * *

Ritchie Unusual

Ritchie Cut Stone Co. is an unusual example of an Ontario company that furnishes a statement to The Financial Post but only on the condition that it is not to be published in newspapers and similar publications. This, of course is much better than making no statement available at all.

* * *

Supersilk Figures

Supersilk Hosiery Mills did not publish its balance sheet prior to 1932, but gave isolated figures in the annual report to shareholders. Even now it gives only a crude type of earnings report to the public.

* * *

What of Bankruptcy?

Dominion Palace Pier Corp., which has offered securities in Ontario to finance an amusement structure on the outskirts of Toronto, has not yet made its financial statements general public knowledge. Meanwhile a petition in bankruptcy is being sought against Provincial Improvement Corp., which pushed the Palace Pier shares. How does the Pier itself stand? There's the rub.

* * *

Supertest Certificate

Supertest Petroleum Corp. issues a balance sheet in its annual report without an auditor's certificate attached. Doubtless, however, there is such a certificate in existence. Figures on earnings and operations are far short of what is considered desirable by investment men, and are in a somewhat similar state to those of Supersilk aforementioned.

* * *

Thayers' Carbon Copy

Thayers Ltd., western Ontario oil firm, is a company that frankly declines to furnish even an uncertified balance sheet to The Financial Post, which obtains one nevertheless, but at some inconvenience. The balance sheet sent to shareholders—upon their request—is a carbon copy of a typewritten document, without an auditor's certificate.

* * *

Dufferin Ramifications

Dufferin Paving & Crushed Stone is a company with ramifications about which the investing public has been no little puzzled. Under the Ontario Companies Act, and even under Dominion law, operations of subsidiary companies can continue mysterious. Dufferin Construction Co., the parent firm, has acquired large amounts of senior securities, and the proceedings by which dealings in enormous quantities of stock were conducted remain little known to investors.

* * *

Examples of doing things that ought not to be done, or of leaving undone things that ought to be done, legal under the Ontario Companies Act, could be extended to great length.

More detailed examination of the provisions—or rather the lack of them—of the act itself will be made in an early issue of The Financial Post.

Big Ontario Companies Show Investor Interest

There is a tendency for Canadian investors to lock upon companies acts as things of only academic or legal interest. This may account for the latitude, and laxity, that has been allowed under Canadian companies acts.

Few investors in central Canada have not held securities at some time or other in major public companies incorporated under the Ontario Companies Act. Many of the major companies, of course, go one better than the Ontario Companies Act and give most extensive information to shareholders even though not obliged to do so.

Names of over a score of the more important Ontario-incorporated firms are listed below. A glance at the list will indicate the magnitude of investment interest in Ontario companies. The list, which is only a selection of major companies, is as follows:

Algoma Steel Corp.
Brewing Corp. of Canada
Burt, F. N. Co.
Canada Bread Co.
Can. General Investments
Can. Oil Companies
Consumers' Gas Co.
Dairy Corp. of Canada
Dufferin Paving & Cr. Stone
Goodyear Tire & Rubber Co.
Great Lakes Paper Co.
Hinde & Dauch Paper Co.
Loblaw Groceterias Co.
Maple Leaf Milling Co.
Moore Corporation
National Grocers Co.
National Sewer Pipe Co.
Provincial Paper Ltd.
Riverside Silk Mills
Silverwood's Dairies Ltd.
Simpson, Robert Co.
Stop and Shop Ltd.
Supertest Petroleum Corp.
Toronto Elevators Ltd.
Union Gas Co. of Canada
Western Canada Flour Mills

N. S. Steel & Coal Future Unchanged

Liquidators Can Do Little Until Mortgaged Assets Settled

From Our Own Correspondent

MONTREAL.—Creditors of Nova Scotia Steel and Coal Co., at a special meeting in Halifax, passed a motion requesting the liquidators, subject to the approval of the court, to continue carrying on the business until the property can be sold to advantage, a reorganization effected or until the court otherwise orders.

As the collieries and other fixed assets of the company are being managed and operated by receivers, who have nothing to do with the liquidation, the only property that has come to the possession of the liquidators consists of capital stock of subsidiary companies, principally Acadia Coal Co, and Eastern Car Co. and some accounts receivable.

Little to Do

It having been found impossible to sell such shares of the company at any reasonable price, the liquidators' position has for the most part been made a passive one, the subsidiary companies being in independent operation under their own boards of directors.

Holders of Nova Scotia Steel bonds and debentures were present at the meeting but did not vote as such security holders are not concerned with the liquidation assets until the mortgaged assets are sold or otherwise dealt with.

Coronation of King Edward Sends Weasel Prices Higher

Because King Edward VIII will be crowned in London next year, weasel fur trappers of Saskatchewan stand to make money.

Prospective demand for white weasel skins, better known by the euphonious trade name of ermine, has already caused a rise of ten per cent in the price of the fur in Saskatchewan.

London prices of the small pelts have risen from 25 to 35 per cent. The increase is directly attributable to the forthcoming coronation ceremony, for Regina fur dealers state that there has been no decrease in the catch this year. Prices meanwhile have risen from 90 cents to a dollar.

Last year, a quarter of a million pelts with a value of $125,000 were sold in Saskatchewan. The weasel is protected by Saskatchewan game laws, but there is an open season, November 1 to February 28.

Donnacona Paper Seeks Concessions

Bondholders Offered More Stock in Return for Less Interest

From Our Own Correspondent

MONTREAL. — Donnacona Paper Co. has issued details of the long anticipated reorganization scheme.

Under the plan holders of the first mortgage bonds will waive sinking fund payment due February 1, 1936; cancel unpaid interest for the two years to February 1, 1936, and will accept interest at the rate of 3 per cent for the year ending February 1, 1937; 4 per cent for the next year and 4½ per cent thereafter. Maturity of the bonds will be extended eight years to February 1, 1956. Modifications will also be made in sinking fund provisions.

Will Issue "A" Stock

As consideration for these concessions, the company is to issue 131,680 new class A shares to the bondholders at the rate of 20 shares per $1,000 bond. Consequent upon this distribution, the total A stock outstanding will be increased to 253,484 shares, while the number of B shares remains unchanged at 123,088.

The A shares will carry exclusive voting rights until February 1, 1944. On that date, provided the company has fulfilled all its obligations under the trust deed, or at such time thereafter as the company will have fulfilled such obligations, the two classes of stock will be merged and the distinction between them disappear.

Second Reorganization Plan

This reorganization plan is the second in four years. In 1932 Donnacona issued the presently outstanding 121,804 class A shares to the bondholders at the rate of 18½ shares for each $1,000 par value of bonds, in consideration of certain concessions made. At the same time the then existing 150,000 common shares were exchanged for 15,000 shares of B stock; 92,000 B shares were issued to holders of $4.6 millions of debentures and some 15,000 B shares were issued in satisfaction of an unsecured claim of Price Bros. & Co. amounting to $804,394.

Niagara Wire Weaving Co. Increases Com. Dividend

From Our Own Correspondent

MONTREAL. — Niagara Wire Weaving Co. has declared a dividend of 75 cents a share on the common stock, payable April 1 to holders of record March 20.

There is no indication that the new rate will be a regular quarterly disbursement. If it is, the stock is now on an annual basis of $3 a share, as compared with $2 paid in 1935, when two semi-annual dividends of $1 each were paid on July 2 and December 31.

Gain Compromise B. C. Utilities Tax

City Agrees to 1½ p.c. Levy on Utility Property on Streets

From Our Own Correspondent

VANCOUVER.—The two big public utility corporations operating here, B. C. Electric Railway and B. C. Telephone Company, have reached a compromise with the city regarding the latter's proposals for increased taxation on tracks, poles and other facilities on city streets.

The city had intended to apply to the legislature for authority to increase the present one per cent levy to three per cent on the companies' gross annual revenue derived within the city. The compromise has been reached on the basis of 1½ per cent. The new agreement, to be ratified by the legislature, will go into effect January 1, 1937, and will continue in effect for three years.

Revenue from the two companies this year on the one per cent levy amounts to about $105,000, of which $80,000 is from the B. C. Electric. The increase would bring the revenue, on the 1936 basis, to $157,500, an increase of $52,500.

The city council has virtually agreed to continuance of the present fare agreement with the B. C. Electric, the existing rate structure being four tickets for twenty-five cents. President W. G. Murrin has given assurance that the company will make concessions on service.

The city council will probably agree to fix the term of the new agreement at three years from May 8, 1936.

Dunrobin Issue Offered Public

Grimsby Brandy Distillery Invites Public to Buy Common Shares

Dunrobin, Ltd., is making an offering of 300,000 no par common shares through Walter H. Moore & Co., of Toronto. The shares are offered at $3 each.

The company has been established since 1933 and all preliminary expenses of establishing the distillery, distilling brandy and whisky spirits and preparing for sale through the Liquor Control Board of Ontario and other liquor commissions have been paid mainly by directors. These are Dr. G. M. Sutherland, Toronto; E. C. Welsh, Grimsby, vice-president and factory manager; E. C. Starner, Ithaca, N.Y., treasurer; Col. Paul J. Moloney, Ottawa; Lawrence Rumsey, Ithaca, N.Y.; John Gleeson, Ottawa, and Duncan McLaren, Toronto, president of Canada Bud Breweries.

Liquid Backbone

Brandy is to be the backbone of the business but whiskies, liqueurs, and gin will be made as well.

DUNROBIN, LTD.
(Incorporated under Dominion laws)

Offering—300,000 shares no par value common stock out of 566,932 authorized. 160,000 shares were subscribed and issued for preliminary development and 406,932 shares are in treasury. Offered by Walter H. Moore & Co., Toronto, at $3 a share.

Capital — Common shares preceded by 30,000 preference shares of $10 par value, authorized. Shares issued shown in prospectus, 617 preference shares and 92,912 common shares. Cash consideration for shares already issued of common, $149,259. Mortgage, $20,000.

History—Formed 2½ years ago to make brandies, liqueurs, gin and whiskies. Has in bond at plant 40,000 gallons of brandy and whisky spirits.

Earnings—Only estimates available.

Plant—Fruit distillery at Grimsby, Ont., land valued at $125,000. Total assets valued at $300,000. Capacity of plant is 90,000 cases yearly. Estimated eventual capacity 240,000 cases yearly.

Purpose—To pay off $20,000 trade liabilities, to retire preferred shares now issued, to provide working capital and to provide for expansion.

In escrow—Of 60,500 common shares issued for securing distillery license, for formulas, patents and options, 39,000 shares are in escrow by order of Ontario Securities Commission and 20,000 shares of these will bear no dividends until company earns net in any one year equal to $1 a share on all outstanding common shares up to 100,000 shares. Dr. G. M. Sutherland received the shares as vendor of the company.

New Books in Financial World

FINANCIAL AND ECONOMICAL ANNUAL OF JAPAN.

Current controversies in Canada regarding Japanese competition will make the 35th Financial and Economic Annual of Japan, which has just been published, an exceedingly important and useful document.

Printed by the government printing office at Tokio and sponsored by the Department of Finance, this volume has a wealth of well-prepared informative data on every phase of finance, trade, agriculture, industry, commerce, communications, and so forth.

The price is two yen per copy.

POLAND AND HER ECONOMIC DEVELOPMENT. By Dr. Roman Gorecki. Published by George Allen & Unwin, 91 Wellington Street W., Toronto.

Poland is one of the newer nations of post-war Europe. It had hardly established its governmental and economic machinery before the world crisis came upon it. Yet it is a tribute to the soundness of the policies adopted that Poland has come through the crisis better than most of the larger and older nations. Dr. Gorecki points out that the first of the fundamental principles upon which the government based its economic policy was the maintenance of a stable currency based upon a balanced national budget and favorable trade balance. He says, "Experiments of every kind have been avoided, particularly the experiments of artificial manipulations of business conditions, in the belief that only by means of simple, classic, orthodox methods can positive results be achieved."

It is this study of the methods used to meet the crisis as well as of the result that gives the volume an appeal to Canadians.

INTERPRETATIONS. 1933-1935. Editorials of Walter Lippmann, assembled and edited by Allen Nevins. Published by Macmillan Company of Canada, Toronto. Price $2.50.

No greater tribute can be paid to any editorial writer than to regard his daily writings as worthy of being published as a permanent record of comment on contemporary events. The work of few writers would justify such a tribute but among the few, Walter Lippmann's place is assured.

This is the second series of "Interpretations" to be published in book form. It opens with the dark days of the banking crisis of 1933 when Mr. Lippmann gave his support to the emergency dictatorship of President Roosevelt. It closes with a picture of the clearer skies of today when Mr. Lippmann is as earnestly battling for the abandonment of the president's more dictatorial powers. The discussion is by no means confined to the problems of the United States and there is an excellent series of editorials on international affairs. This reviewer has found Mr. Lippmann's previous volume of continuing value as a source of reference on the moods of the earlier period of the crisis and as something of an encyclopedia of facts as well. For Mr. Lippmann's editorial technique is to present a situation clearly and concisely, with the important facts well balanced, and then to comment on it in the light of his splendidly liberal philosophy.

Mr. Nevins has selected some 150 editorials from among more than 500 published by Mr. Lippman and has edited them down to what remains of permanent importance.

INVESTMENT PRINCIPLES AND PRACTICES. By R. E. Badger and H. G. Gutmann. Published by Prentice-Hall Inc., 70 Fifth Avenue, New York. Price $6.

This textbook of the science of investment went through six editions between June, 1928, when it was first published, and last year. The authors have now revised it in the light of the lessons of the depression. It is this revised edition that is now available.

The senior author, Dr. Ralph Badger, is president of the Investment Council, Detroit, and of the several partners of that firm is the one who specializes in bond investments, particularly those of banks and other large financial institutions. Dr. Gutmann is Professor of Finance at Northwestern University.

Running just under 1,000 pages, Investment Principles and Practices is not recommended as light reading for the small investor who has no intention of making his investments on the basis of minute study of both the theory and practice of finance. Rather, it is a textbook for the advanced student on the subject. It is thorough and has a wealth of detail. There is no attempt to reduce the problem to dimensions capable of being easily grasped by the ordinary lazy-minded investor who seeks only to be told what to buy and when to buy it.

All phases of the subject are dealt with in both a theoretical and a practical way. Every type of security is described in detail, and there are suitable chapters on the mathematics and the mechanics of investment, the effect of taxation on investment policies, and on the reading of security price movements. In the latter chapter, no system of forecasting is given any fulsome approval; in fact the weaknesses of all of them are carefully delineated.

Naturally, the specific information relates very largely to American financial and investment conditions.

GEOGRAPHIC DISARMAMENT. By Major-General J. H. Marshall-Cornwall. Published by Oxford University Press, Toronto. Price $3.75.

Any volume sponsored by the Royal Institute of International Affairs may be taken as one worthy of the closest attention of serious students of world politics. The Royal Institute expresses no opinions and does not sponsor the opinions in volumes which come out under its auspices, but on the other hand, it does not lend its name to books that are unworthy of attention.

Thus, Major-General Marshall-Cornwall's proposal for the gradual extension of disarmament through regional arrangements comes to the reader with the finest possible introduction.

General Cornwall's argument is a simple one. Disarmament conferences get nowhere. The reason is that most nations hesitate "to jeopardize the fancied substance of their individual security for the shadowy promise of collective blessedness." The prime difficulty is that nations side by side are, as happily described by Mrs. Malaprop, "contagious countries." If the defenses of nations can be separated by demilitarized or even by neutral zones, the danger of clashes is reduced, and disarmament, in whole or in part, has a better chance.

General Cornwall presents scores of such examples of such armistice zones that have worked effectively from the earliest days to the present time. He considers that the idea is capable of much greater extension.

One of the pertinent examples of interest to Canadians is our own frontier with the United States. For generations, it has been the favorite subject of after-luncheon orators that, as Viscount Grey has put it, "the relations between the United States and Canada are such that not a regiment or a single soldier is on guard to protect that frontier against aggression." And on the Great Lakes naval forces have been limited to such a small number of vessels that the general public is unaware whether such vessels actually exist or not. Thus, in effect, the Great Lakes have been set up as a neutral zone between Canada and the United States, and have given these two countries peace between themselves.

While there are many types of armistice zones that can be interposed as a guarantor of peace between potential adversaries, the frontier line which is freed of soldiers and forces for a certain distance on either side is the type obviously capable of widest application. The author argues that "security is a mental state . . . We sleep more securely in a country cottage surrounded by a garden than if the cottage gave directly on to the main road. The garden wall may be totally ineffective as an obstacle; but we are surrounded with a zone of space, and that zone, though it cannot physically guarantee security, yet psychologically imparts it." He argues that if we "transpose the garden wall into a national frontier, the same effect is produced." We thus replace the razor's edge of sharp contact by a blunter insulating zone.

Eliminating War

General Marshall-Cornwall does not think it will ever be humanly possible to eliminate war absolutely from international relations. But he hopes that his proposal will reduce, if adopted, the risk of war to a minimum.

Canadians will be particularly interested in the reference to the Canadian-United States frontier. An interesting extract is given from the minutes of the League of Nations preparatory commission for the Disarmament Conference. At that conference in 1928, Dr. Riddell, the Canadian representative, urged strongly a wider appreciation of the value of demilitarized zones.

FRIENDLY SERVICE

Come to the Bismarck for luxurious comfort . . . good food . . . and that elusive something called "friendly service" that makes you feel right at home. Every modern hotel convenience is here at your beck and call.

Rooms with bath, $3.50 up.
Rooms without bath, $2.50.

Write for booklet with map of Chicago.

BISMARCK HOTEL
RANDOLPH AT LA SALLE — CHICAGO

WAREHOUSE ACCOMMODATION

Quick deliveries to Western Ontario points.
Large, modern fireproof buildings on C.P.R. and C.N.R. sidings.
Space available for light manufacturing.
Full information on request from:

FIREPROOF WAREHOUSES LIMITED
London — Canada

TOOLE, PEET & CO.
LIMITED
FINANCIAL AGENTS
Appraisers and Valuators
Estates Managed
CALGARY CANADA

GLOBE ENVELOPES
Makers of *Well Gummed* Envelopes
860 ADELAIDE STREET WEST-TORONTO

Investors' Chronicle
6d Established 1860 6d
Has the Largest Net Sales of any Weekly Financial Newspaper in Great Britain
OVERSEAS FINANCE
Special Correspondents in all Financial Centres
A free specimen copy will be forwarded on post card application to:
THE PUBLISHER, INVESTORS' CHRONICLE, 20, BISHOPSGATE, LONDON E.C.2, ENG.

Canadian Pacific Express
Travellers Cheques
Are World Currency
Carry them on your next trip and be assured of travel [illegible]
Get them from any agent of the Canadian Pacific & most Banks

ANNOUNCING
the formation of
A. G. WHITE & COMPANY
(Formerly George & Co.)
with offices situated at
1317 METROPOLITAN BUILDING
TORONTO
to conduct a general securities business specializing in unlisted mining and industrial stocks.
Telephone: ELgin 6373
ALBERT G. WHITE R. W. OWEN

MILNER, ROSS & CO.
Members Toronto Stock Exchange
330 Bay Street Toronto
Telephone Waverley 1701
BONDS STOCKS

"I want to bring the children to your office, Doctor. They seem well, but it is time for another examination."

When do you see your Doctor?

IF YOU wait until sickness develops you are taking advantage of only part of your doctor's skill. Make him your Health Counsellor at all times—not only when you are ill, but when you are well. It is the modern way to take care of yourself.

See your doctor at regular intervals. He is familiar with the prevention of various diseases which were once regarded as almost unavoidable, and the control of others that less than forty years ago were often fatal.

Do you know the latest findings of medical science on such subjects as preventive inoculation and vaccination? Do you know that the heart and other organs should be carefully examined, after every attack of an infectious disease, to see whether or not they need temporary or continuing care to lessen the danger of lasting injury?

You and the other members of your family should have a regular and complete physical checkup. Unsuspected impairments, abnormalities, deformities and bad health habits may be discovered and corrected. There are certain conditions which do not produce immediate symptoms, but which will do so in the future if left uncorrected. Let your doctor advise you on matters of diet, rest and exercise.

The Metropolitan from time to time reports how physicians help people to prevent many diseases and ailments which afflict different age groups—Babyhood; Childhood; Adolescence; the Age of Maturity; the Prime of Life; and the Sunset Years.

The Metropolitan will be glad to mail free its booklet on health protection at all ages. Send for your copy of "Taking Your Bearings". Address Booklet Department 3-F-36.

Keep healthy—be examined regularly

METROPOLITAN LIFE INSURANCE COMPANY
FREDERICK H. ECKER, PRESIDENT
CANADIAN HEAD OFFICE OTTAWA

SERVING CANADA SINCE 1872

VENUS has banished GRIT
-Pencil Enemy No.1-

YOU WOULDN'T TOLERATE GRIT IN FACE CREAM!
"VENUS"-DRAWING-MADE IN CANADA
Don't TOLERATE GRIT IN PENCILS

GRIT is as out of place in a pencil as it would be in a fine face cream. Yet only in a Venus Pencil can you *always* be sure of a *super-smooth* lead. For Venus, in its exclusive "colloidal" lead, has discovered the way to eliminate every trace of scratchy grit. When your work demands a good pencil, specify Venus—*the world's largest-selling quality pencil.*

Famous Filter-paper Test Proves It

In the Venus "colloidal" process, clay and graphite are refined finer than the *smoothest* face powder—so minute they will easily pass through filter paper. Consider this amazing fact—it proves why Venus "colloidal" lead, being finer and more even in texture, is *super-smooth, extra strong, always uniform.* . . . 17 shades of black.

Ideal for Business — VENUS-VELVET
Combining the outstanding features of a "colloidal-type" lead, with chrome bonding of lead and wood for protection against breakage—exceptional value at 5c. Six commercial degrees for every office purpose.
VENUS PENCIL COMPANY LIMITED, TORONTO, ONTARIO

super smooth VENUS
MADE IN CANADA

Your Investments

What We Do:

1. Give information on Canadian securities to Financial Post subscribers.
2. Publish anonymously letters of general interest.
3. Supply facts rather than opinions.

What We Don't Do:

1. Answer enquiries of non-subscribers.
2. Answer enquiries on foreign securities.
3. Reply by telephone or telegraph.
4. Select lists of securities; express opinions; or make forecasts.

Three-cent stamp must be enclosed. Address The Financial Post, 481 University Ave., Toronto.

Union Gas

I notice that Union Gas common shares have risen lately and would like to know how earnings are running.

Union Gas Company's earnings for the year ending March 31, 1936, were estimated several months ago at about 33 cents a share. Earnings may be considerably higher than this estimate and some expect over 50 cents a share. The company has been realizing its good expectations of earnings from its sale of natural gas in London, Ont., which it started last year.

Imperial Oil

Do you think Imperial Oil will continue to pay more in dividends than it is earning?

Imperial Oil is the strongest company financially in the oil industry in Canada.

It seems likely that the company will continue to pay dividends for some time in excess of actual earnings. There is a disposition of investors to think that earnings may improve in International Petroleum so as to take care of that situation.

Northwestern Utilities

I hold a $1,000 bond of Northwestern Utilities Ltd., and would like your views on the safety of this investment.

There are $2.2 millions of Northwestern Utilities first mortgage bonds outstanding, while net fixed assets total $4.2 millions. The company earned all interest, after depreciation charges, 1.06 times in the year ended Aug. 31, 1935. On the first mortgage bonds, however, interest was covered in a higher ratio.

The company holds a gas franchise for the city of Edmonton, which runs to November, 1945. The company serves about 11,000 houses, business and public buildings with gas in a city of over 80,000. Engineering estimates indicate that gas reserves controlled by the company should be sufficient to supply Edmonton for the life of the bonds, and to service the issue.

Acadia Sugar

I would appreciate having your views on Acadia Sugar; what progress has been made and the outlook for the company.

Acadia Sugar has been quietly strengthening its position in the last three or four years and the arrears of dividends on the preferred stock have been practically eliminated. Some refinancing has been done by the company, which has resulted in reducing interest charges. On the whole, the position of the company today is stronger than it has been for some time past. There is one point to bear in mind and that is, possible changes in excise duties. Not long ago the Dominion Government imposed a tax of two cents a pound on sugar. This greatly restricted the market for sugar and the result was rather unsatisfactory as far as the sugar refining companies were concerned. Later this tax was reduced. However, the history of the sugar refining industry has been one of sudden changes, and at times, these changes have worked hardships for the operators.

Canada Cement

It has been suggested I should switch from Canada Cement preferred to the common stock of the same company. What do you think of this move?

We do not see any particular advantage in switching from your Canada Cement preferred to the common stock. The Cement preferred is a much better security, not only has it first charge on earnings, but there are arrears of dividends on the stock which must be paid before anything can be distributed on the common stock. Furthermore the preferred is selling at a substantial discount.

Dominion Coal

During the course of the capital reorganization of Dominion Steel and Coal Co., I received some of the bonds of the Dominion Coal Co. I hear that the prosperity of this company is largely dependent upon the coal subvention from the Dominion Government, and would like to know if there is any danger to the company in its subsidy being withdrawn?

Dominion Coal Co. has made an outstanding recovery in earning power in the last three or four years and interest charges are now being covered by a comfortable margin. There is some uncertainty in the market opinion of the company's debentures, owing to the coal subventions. These subventions are in the form of a subsidy on shipments of coal by rail to the central Canada market. They are not paid to the company but to the railways. While there has been a certain amount of talk as to the likelihood of the Dominion Government withdrawing these subventions, it is the opinion of those closely informed that such a step is unlikely. In the first place the subventions enable Dominion Coal and other Nova Scotia operators to produce a much larger tonnage than would otherwise be possible. Employment has been given to a large number of men and if the subventions were withdrawn, many of the miners would have to go on relief. Consequently the Government has favored the policy of granting subventions rather than direct relief. In addition the Dominion Government has for a long time been strongly advocating a Canadian fuel policy and in backing up this aim has given subsidies of one kind and another over a period of many years.

C. P. R.

Can you let me know how earnings of the Canadian Pacific have been shaping up recently and what are the prospects of a resumption of dividends on the preferred and ordinary shares?

Interim operating statements issued by the Canadian Pacific Railway since the beginning of the year indicate a more satisfactory trend of earnings.

In the last two or three years, the company has been able to cover its fixed charges. In 1934 there was a surplus after these charges of about $5 or $6 millions which would ordinarily have covered the dividend on the preference stock. This latter dividend, as you probubly know, has been deferred. The 1935 report is not expected to show any material improvement over that reported in 1934. Consequently it is not anticipated that action will be taken by the directors in regard to placing the preference stock on a dividend basis. This dividend of course, is non-cumulative and does not represent a contingent liability for the company. As regards the common stock there is no immediate prospect of any dividend payment.

Toronto Elevators

I am interested in purchasing Toronto Elevators seven per cent preferred stock. Before doing so I would appreciate it if you would advise me whether this stock is callable, and if so, at what price. The stock is now selling at $116 a share and it hardly seems reasonable that it should continue to pay seven per cent when money can be obtained at 4½ per cent.

The seven per cent preferred stock of Toronto Elevators Ltd. is callable at $110.

For the present, the price of the stock is directly affected by fluctuations in the common. The preferred is convertible up to the time of redemption, three shares of common for one share of preferred.

It is questionable whether the company will decide to try to have the preferred converted into common stock, or to refinance at a lower dividend rate. If the preferred were called at $110 on 60 days notice, a good many holders might convert their shares into common stock prior to the date of redemption, in hopes of selling the common shares at $40 each. Consequently the common might decline.

Hamilton By-Products

Would you consider the five per cent bonds of Hamilton By-Products Coke as a safe or as a speculative investment?

Earnings have been sufficient to look after service of Hamilton By-Product Coke Ovens five per cent bonds which are, therefore, considered a good industrial investment. The position of the company has been helped by the recent exchange from the higher interest bond to the present issue.

Abitibi Preferred

What is the outlook for my Abitibi preferred stock?

It is likely in the near future a reorganization plan for Abitibi Power and Paper Co. will be put forward. Earnings in 1935 were about $1.2 million before depreciation or bond interest. This is better than in 1934, but still does not show anything on the preferred stock on the basis of the old write-off for depreciation and the old interest charge. Bonds will get preferential treatment in any reorganization but the preferred is not entirely hopeless.

Harding Carpets

What is the capitalization of Harding Carpets Ltd.? I would also like some information on the company's earnings and prospects.

Harding Carpets has an authorized capital of 300,000 common shares of no par value, of which 170,000 are issued and outstanding. There are no other securities.

Net profits in the year ended Oct. 31, 1935, amounted to $38,481, compared with $43,554 in the preceding year. This is the equivalent of 25 cents a share on the common stock, compared with 26 cents in the 1934 year.

A. E. Cuthbertson, president, in presenting the 1935 annual report, stated that the prospects for 1936 were encouraging, and we understand that the company has had a substantial volume of business this year. As to tariffs, Mr. Cuthbertson said the situation at present causes some concern. It is not yet clear that tariff reductions will work to the disadvantage of the company, but you must remember that there is a low tariff government in power at Ottawa, and that changes may be made which will not be beneficial to earnings.

International Pete

Is International Petroleum earning its dividends?

International Petroleum is paying annual dividends of $2.50 a share at present, and about $1 a share of this is being paid from accumulated surplus. The company's earnings, however, appear to be growing, and if they grow large enough before its very ample surplus is used up, the dividends may be continued from earnings.

Brazilian Traction

I see by a recent issue of your paper that Brazilian Traction is slated to pay a cash dividend of 50 cents a share in the near future. Can this be construed to mean that $1 a share will be paid regularly?

The Financial Post article did not state that Brazilian Traction is definitely "slated" to pay a cash dividend of 50 cents. It pointed out, however, that financial interests behind the initial push of Brazilian shares above $10 each were expecting a cash dividend. So far they have been disappointed.

It would be unsafe to count on Brazilian Traction paying cash dividends of $1 a share annually, or even 50 cents a share in any regular way under present conditions of foreign exchange in Brazil.

Any payment that Brazilian Traction may be able to make must be considered as an interim dividend since the company's ability to pay is dependent upon what money it is able to withdraw from the country. It may be able to withdraw funds from time to time, but it is unlikely that regular withdrawals will be possible. The chances of getting money out of Brazil, however, appear to have improved somewhat in the past year.

Canadian Bakeries

Are earnings of Canadian Bakeries improving? Is there any possibility of resumption of dividends on the preferred stock?

There has been improvement in operations of Canadian Bakeries, but nothing has been earned on the preferred stock since 1929. In the year ended Aug. 31, 1935, net earnings were nearly $75,000, compared with $31,000 in the previous year. After $67,500 for depreciation, net income was insufficient to meet bond interest of $42,237. However, bond interest is being paid, since depreciation charges to some extent may be considered bookkeeping. On the whole, earnings have not been healthy, and the company has accumulated a deficit of about $190,000. Working capital remains satisfactory at $326,000. There are prospects of improvement in the company's earnings, which gives ground for hopes that some payment will eventually be made on the preferred. A group of preferred shareholders is working on a scheme to capitalize arrears of dividends.

East Windsor-Walkerville

What is the situation with regard to East Windsor-Walkerville Waterworks debentures? How are they affected by the Windsor refinancing scheme?

East Windsor-Walkerville Waterworks debentures are in a peculiar situation. While they are liabilities of East Windsor and Walkerville, two of the municipalities included in the Windsor amalgamation scheme, they are not specifically mentioned in the refinancing plan, but will probably be refunded.

There are special features affecting the waterworks bonds. The bondholders may claim a prior lien on water rates. If this action were taken, however, the municipalities could retaliate with increased taxation. It is difficult at the present time to make an estimate as to the actual value of the debentures. It is likely that eventual treatment will be more favorable than the Windsor refinancing scheme would indicate.

Rackets

"Free" Encyclopaedias

HIGH pressure methods of book salesmanship on the part of a Montreal book selling concern were roundly condemned by an eastern Canadian judge recently.

Selling what the judge declared to be "a cheap reprint of a former encyclopaedia," and with "misrepresentation used in regard to testimonials," the book company had managed to secure from a university professor a contract to purchase a "research course," with a 12-volume encyclopaedia "as a gift."

The "offer" was based on the alleged practice of the company to make gifts of the encyclopaedia to various prominent people in the community.

False testimonials were produced, as evidence of the bona fides of the plan, which consisted of a ten-year loose-leaf extension research course. With this, the encyclopaedia, to be given free, was represented as being worth $100, but the judge declared it to be worth not more than $20.

* * *

Biter Bitten

THE professor, sued by the company for the balance of the "extension course" payment, entered a counterclaim for the money already paid for the "research course." The company promptly dropped its suit, but the professor refused to terminate the counterclaim because, he thought, the scheme should be exposed.

"This thing is a menace to the community. The methods used by the firm are reprehensible," declared the judge in awarding the professor his counterclaim against the concern.

The Woman Investor

Investment Trusts

A MIDDLE-AGED widow writes The Financial Post, asking advice as to her investment portfolio, with a view to conserving principal and securing the highest income returns consistent with reasonable safety.

She holds securities valued at approximately $20,000, about half in the form of speculative mining and oil stocks. The balance consists of equally speculative industrial issues which, although suitable for a businessman, have no place in the portfolio of a middle-aged widow.

Equally important, the average yield is only slightly over 3.7 per cent on the total value of the woman's securities, and the division of the investment does not give maximum safety in any event.

Realizing some of these shortcomings she has been considering buying shares of Canadian General Investments, a management-type investment trust, under capable direction.

* * *

Six Per Cent Yield

SUCH an investment trust, with its common shares now quoted around $8.25, is typical of what may be obtained in this form of investment.

The dividend is 40 cents annually against earnings in the last fiscal year of 46 cents on the common stock. Portfolio value of bonds, preferred and common shares, chiefly in Canadian companies, has risen to the equivalent of about $12 for each common share outstanding.

Also, in this instance, there is a possibility that the dividend will be raised later this year. A yield of six per cent might result.

Conservatively managed and headed by prominent Canadian businessmen, an investment trust of this character appears to offer a less risky means of investing in stocks than this widow's present list. Other trusts are also worthy of investigation, but it would be unwise to put all the eggs in one investment trust basket.

High quality bonds should form an important part of any widow's investments, but other securities must be sought too if a yield of better than about four per cent is essential.

Canada Northern Power Stock Listed in Toronto

From Our Own Correspondent

MONTREAL. — Canada Northern Power Corp. common stock, to the extent of 400,000 shares of no par value, has been listed on the Toronto Stock Exchange.

These shares are also listed on the Montreal Stock Exchange and admitted to trading on the London Stock Exchange.

WE OFFER

Canadian National Railway Company
Guaranteed by Dominion of Canada

3% Bonds, due February 15, 1948-53
Price: 97.50 and interest, to yield 3.19%

2% Bonds, due February 15, 1943
Price: 98.25 and interest, to yield 2.27%

The above securities are offered subject to prior sale and change in price.

DOMINION SECURITIES CORPORATION LIMITED
TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.
15 King Street West, Toronto

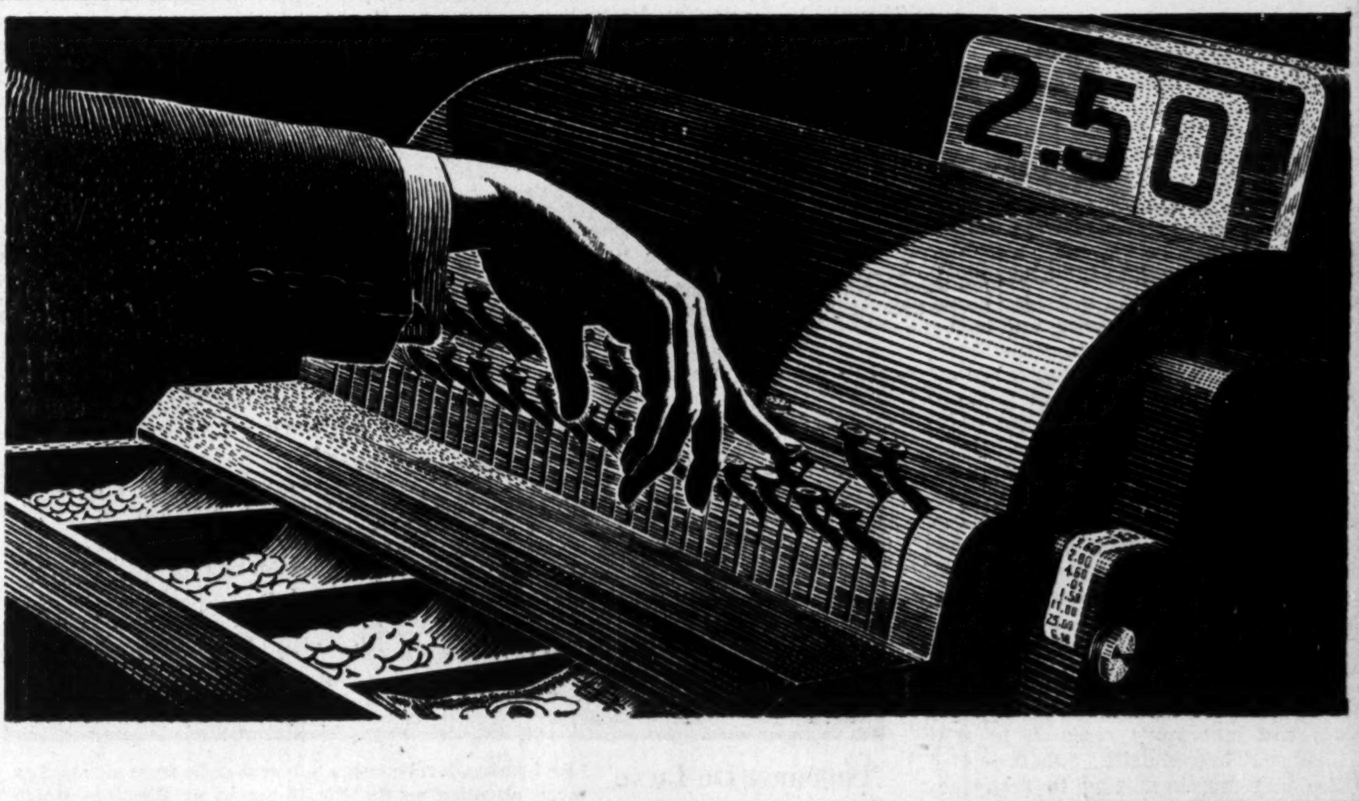
Penmans
PEN ANGLE
WARRANTED HIGH GRADE
PENMANS
KNIT-GOODS

Manufacturers of High-Grade
KNITTED UNDERWEAR
HOSIERY
AND OUTERWEAR
Mills at: Paris, Brantford, London, Waterford, Ontario; Coaticook and St. Hyacinthe, Quebec.
PENMANS LIMITED
General Offices: PARIS, ONT.

GLENEAGLES HOTEL SCOTLAND

The Unrivalled Playground of the World

Descriptive Literature (No. 201) and full particulars from Frank S. Stocking, 1010 St. Catherine Street West, Montreal, Canada, or Arthur Towle, L M S Hotels Controller, London, England.



AN INSTRUMENT
SENSITIVE TO EVERY DEMAND

REMOTE from the larger interests which must be considered by the manufacturer, the retailer is concerned only with his contact with customers. He is the most important link in the chain of distribution. He is the man on the firing line. He knows whether a sales attack succeeds or fails. *His sensitive cash register records every variation in demand.*

. . . .

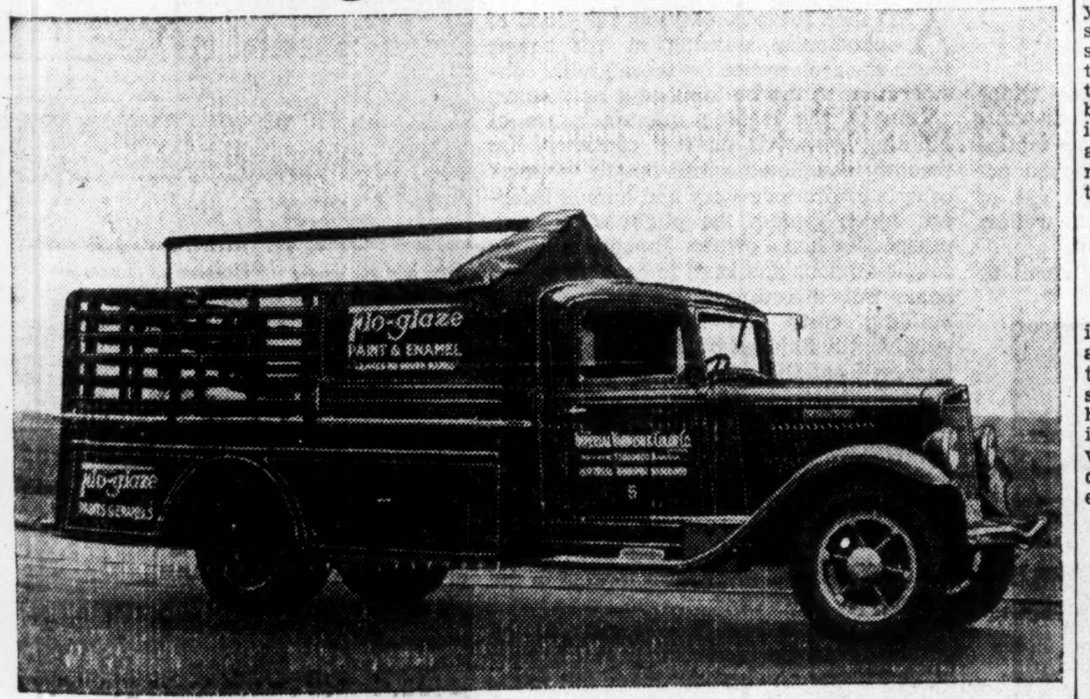
AND in these "front line" retail outlets, evidence is piling up every day of the value to the retailer of national magazine advertising. Every retailer in Canada has but to look around his store — to look at the merchandise he hands over the counter — to see that the quickest turn-over and steadiest profits come from those products which are advertised in the national magazines. For the national magazine creates prestige and desire. It enables customers to identify instantly at the store the products they see in their favorite magazine. It goes straight to those intelligent people who represent the buying leadership of every community, sends them to the retailer for advertised brands in which they have implicit confidence.

. . . .

THAT is why, though the national magazine gives national coverage first and foremost, it also gives the best and most selective local coverage. And by pointing out these facts to the retailer — by stressing the value of the select coverage of his community's best buyers given by magazine advertising — he can be made a staunch and dependable ally of the manufacturer who advertises in national magazines.

Chatelaine • Canadian Magazine • Maclean's Magazine
National Home Monthly • Canadian Home Journal
PROVIDE A NATIONAL COVERAGE ACROSS CANADA

Your Search for the Right Truck Ends Here



The Imperial Varnish & Color Co., Ltd., Toronto, gets maximum transportation and advertising value from this new International with its beautiful streamlined body.

IF *hauling at low cost* is important to your business, then no matter what your requirements may be, there's a truck for your job in the International line. The 26 International models come in a total of 70 wheelbase lengths. Carrying capacities range from Half-Ton to powerful Six-Wheelers.

Each year increasing numbers of business men realize that this complete line holds the best solution to their hauling problems. They recognize the extra value that International Harvester is able to build into every truck that bears the name. More than thirty years of perfecting *all-truck* construction means a great deal to every user.

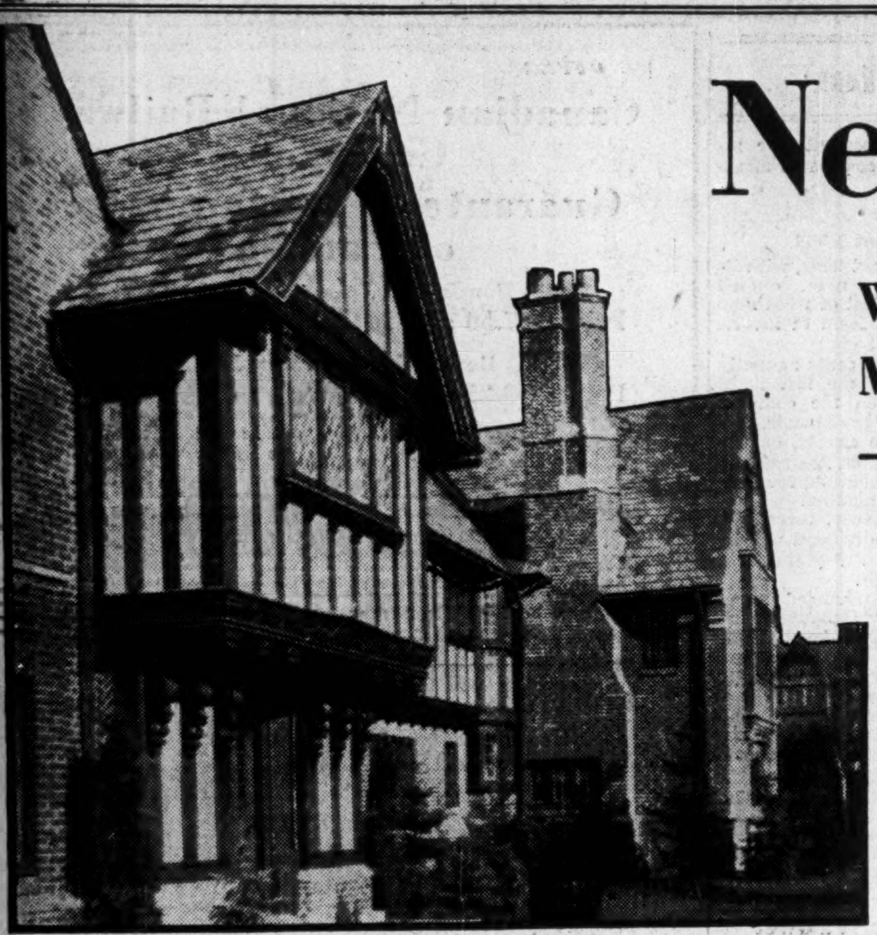
Drop in at any International branch or dealer and inspect the trucks designed to do your work. Or phone for a demonstration that will point the way to new profit in your business.

INTERNATIONAL HARVESTER COMPANY
OF CANADA, Ltd.
HAMILTON ONTARIO
Truck Factory Located at Chatham, Ontario

INTERNATIONAL TRUCKS

New Homes For Old....

Whether you plan to Build or merely to Modernize your Present Home there is a Magic World of New Materials, New Methods and New Ideas Now Easily Attainable—New Vistas and Economies unfold through the Aladdin's Lamp of Obsolescence.



HAVE you ever thought of measuring bathrooms, kitchens or furnaces in terms of motor cars?

At first, there may not seem to be much connection until it is remembered that back in the old, pre-depression days, Canadians were spending as much or more each year to buy themselves new bathrooms, new kitchens and new houses as they were for new motor cars.

For instance, in 1929, Canadians spent over a hundred million dollars on new houses alone, not to speak of millions of dollars on stoves, refrigerators, bathroom fixtures, and other types of equipment, which either went into the new houses or replaced obsolete equipment in existing homes

Then for three or four years these "extra" dollars which had formerly been used to buy nice houses, new bathrooms and shiny new motor cars just disappeared, with the result that the sale and production of these fine things virtually came to a standstill.

* * *

Boosting Dollar Values

AND all the while the makers of these very desirable things were scratching heads and sharpening pencils to find new ways of attracting consumer dollars

They tried out new materials and new methods of production. They tested new products and created scores of ways themselves to do things better, more cheaply and more efficiently, than they had been done before.

They got the best engineering and technical skill on the continent to probe here and there for better and cheaper ways of doing things, for they knew that to keep pace with the times they must not only offer better dollar value than ever before but must also offer products which were so definitely superior to those which people were using in their homes and on their highways that there would be no doubt as to who would win the argument when consumer pockets were once more lined with money.

* * *

Selling Their Wares

BUT it takes more than consumer dollars and laboratory research to sell merchandise. There must be expert salesmanship and merchandising to turn the trick.

The motor car industry was especially awake to this fact. Thus, in 1934 and 1935 some of the keenest sales minds on the continent focussed public attention in a colossal manner on the part which engineering, science and human ingenuity had played in boosting dollar values in the automotive world. As a result, hundreds of thousands of people were made to realize that the cars they had driven for five, or six, or seven years were now obsolete, and that greater opportunities than ever before existed for those who would trade old cars for new.

Compared with the automotive industry, the business of building and equipping homes is a hoary oldster. For that reason, perhaps, and because the housing industry lacks a unified voice to merchandise and sell its products, it has been a difficult problem to merchandise the theme of "new homes for old," and to make people realize that there is every bit as much thrill, every bit as much satisfaction, every bit as good a return for dollar value by investing in new bathrooms, new kitchens, new recreation rooms or new furnaces as there is in buying a new car. And that one is just as easy (if not easier) to accomplish—financially— as the other.

* * *

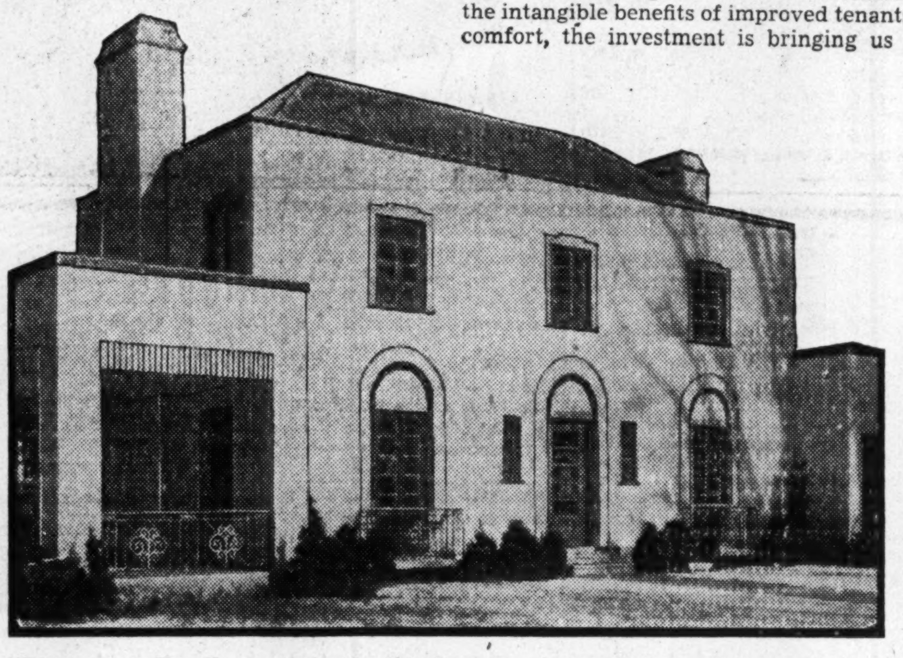
War on Heat

TAKE, for instance, the question of insulation. A few years ago this was a technical term known and used for the most part only by engineers, architects and builders. Today it is as much a part of bridge-table and living-room conversation as the European situation and the winter's coal bills.

Back as far as 1927 the federal government at Ottawa published an attractive booklet on "Why You Should Insulate Your Home," followed by another in 1932 on the insulation of new and old homes. This describes insulation as: "An efficient, cheap and sure means of preventing excessive heat leakage; something that only the wealthy can afford to do without."

The annual saving to Canadians in their fuel bills by proper insulation is placed as high as $60 millions annually.

For the individual home owner, this means savings up to 30 per cent on fuel in winter and a lowering of the house temperature as much as 15 degrees in summer.



Thermos De Luxe Few housing developments in recent years have attracted as much attention as the Pigott houses at Hamilton which incorporate the thermos bottle principle by using a complete sheath of 3-inch cork over a steel frame. It typifies in Canada the trend to modern housing methods and materials.

An entirely new type of house built recently at Hamilton, Ont., carries this principle one step farther by sheathing the house entirely in a three-inch slab of cork. The house becomes, therefore, a virtual thermos bottle permitting the maintenance of uniform temperatures throughout the year with extraordinary ease and great economy. It is claimed that this particular building — a substantial eight-roomed home—can be completely heated and air-conditioned all year round at about half the cost of a standard type home.

And of course these benefits are not confined to new houses alone. Many excellent insulating materials are available which can be cheaply and efficiently installed in almost any type of house, whether brick, wood or stucco, and their number and efficiency have increased in astounding fashion the past few years.

Fit for a King Yet actually this is a reclaimed corner of what was formerly a dark and dismal cellar. Why look for a larger house until an expert has appraised the 20 per cent of your house (cellars and attics) that are now probably going to waste. And it can all be financed on the installment plan.

Furnace Economies

EQUALLY important changes and savings can be made in the heating plant of the home itself, no matter how old or antiquated the building or system now in use. And experts say most heating systems installed as recently as ten years ago are obsolete today. The reason is that new inventions have so materially reduced operating costs and increased comfort possibilities, as to make a ten-year-old heating system a pure extravagance when judged by 1936 standards.

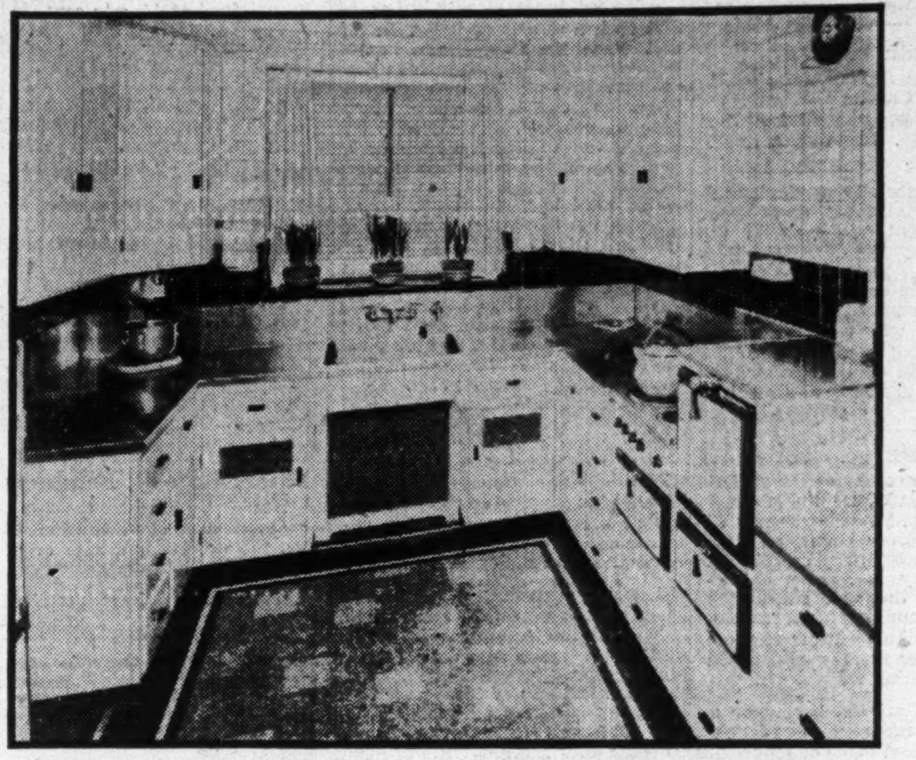
And be it remembered, of course, that there is a clear distinction here between depreciation and obsolescence. To the extent that a furnace or heating plant is less efficient than when it was installed, depreciation is responsible, but in so far as new equipment now on the market does a cheaper, better job than was done by existing equipment when new, obsolescence is responsible.

* * *

Aid to Rentals

THESE comments apply, of course, with double force when the dwelling unit is not the single home, but the apartment or commercial dwelling. Thus many landlords and rental managers have found operating costs cut substantially through savings of from 15 to 40 per cent in their fuel bills, and in addition have been able to achieve increased rental capacity due to ability to please and suit their tenants.

As one rental manager wrote recently, "The change made two years ago has worked out satisfactorily in fuel saving and in doing away with uneven heating. Before the changeover we had to carry very high steam pressure to get sufficient heat on the northeast side of the building. This caused over-heating in other sections, and doubtless accounted for the relatively high fuel consumption. Without including the intangible benefits of improved tenants' comfort, the investment is bringing us a most satisfactory return in operating economy."



See Our Kitchen And there is more than mere pride in being able to sport a gorgeous place like this. Time, temper and energy are saved not to speak of the proof of the pudding being in the eating thereof.

To make it easier still, one group of manufacturers has combined to "plan" kitchens to suit individual requirements either in your old home or in a new one.

* * *

New Baths for Old

AND this factor of obsolescence plays also a vital rôle in other types of equipment in apartments, residential hotels and other dwelling units of this kind. An official of a large apartment hotel at Ottawa states that during the past two years a major undertaking has been the remodelling of 31 bathrooms, installing new tile work, new brass pipe and all new fixtures. This work was carried on at a cost of $13,000 or $14,000, and in spite of the depression.

The company owning this property has found it very definitely "good business" to keep its furnishings and equipment consistently up to date. As a result, they make this statement: "We are at the moment 100 per cent rented and consider our policy of continually improving is at least partially responsible for these results in rentals."

And, incidentally, the really good things in building are amazingly cheap these days. The low price of materials such as copper, for example, makes bronze screening available at an additional cost per window of about 40 cents.

* * *

New Rooms for Old

ANOTHER type of investment which pays different but equally worth-while dividends is the purchase of new equipment or materials either for the 80 per cent of the home that most people use, or for the "other 20 per cent"—the cellars and attics that are largely unused.

For example, no matter how small or how ungainly your kitchen may be, the application of expert advice (one group of manufacturers has organized a special planning service for this purpose) plus some of the new materials and equipment that have been developed in the past few years can accomplish transformations which put Aladdin's magic lamp in the background.

Or take the omnipresent window. Not many years ago we took pride in discarding the old-fashioned Venetian blind from the houses our mothers and fathers built. Today the modern version of this years-old device has been restored to favor as the last word in solving the problem of correct lighting and ventilation.

And with the development of new, inexpensive and highly versatile building materials, the long-neglected cellars and attics which were formerly used (at best) for storage space, have taken on a new lease of life. In their place, at surprisingly low cost, come extra bedrooms, recreation rooms and play rooms as easily as rabbits out of a conjuror's hat—and on the installment plan, of course, if you wish.

* * *

Should I Build?

AND then there is a virtual fairyland of opportunity opening at the magic touch of obsolescence for those giving consideration to the building of a new home.

One of the leading manufacturers of building materials on this continent has recently completed a full-length "talkie," complete with love story and human interest, which typifies the plight of many a prospective home owner. It shows a young couple anxious and keen to own their own home but discouraged by fear of high building costs and uncertainty as to whether the finished product will be satisfactory from the point of view of workmanship, permanence, cost of upkeep, and so forth.

The answer to their dilemma is found in a model home constructed under the sponsorship of the building materials company which brings a name of long standing and international reputation to stand behind the materials and ideas incorporated in the structure.

Stressed also are the benefits to be obtained from the modern approach to new home financing, whereby under the sponsorship of the Dominion Housing Act in Canada, up to 80 per cent of the value of the property can be obtained at a low rate of interest and the entire sum (plus taxes, service charge, insurance and amortization of principal) repaid on a monthly basis equivalent to rent, and which eventually wipes out the entire capital obligation.

Realization of what could be accomplished not only solved the housing problem for this particular couple, but developed a minor boom in this community which brought renewed activity and prosperity to scores of people formerly unemployed.

* * *

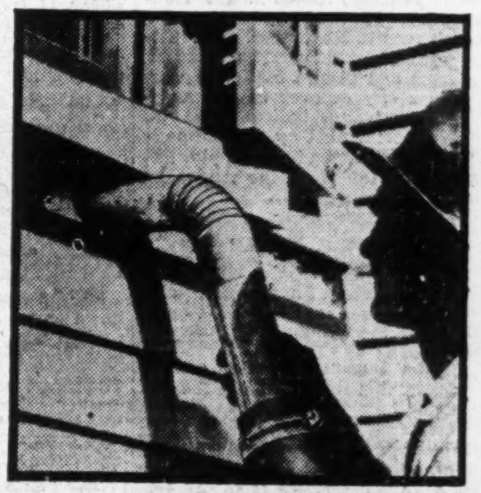
Paying Big Dividends

AND here again the vital need of merchandising was the factor finally responsible for bringing together the prospective home owners and various groups interested in the building trade.

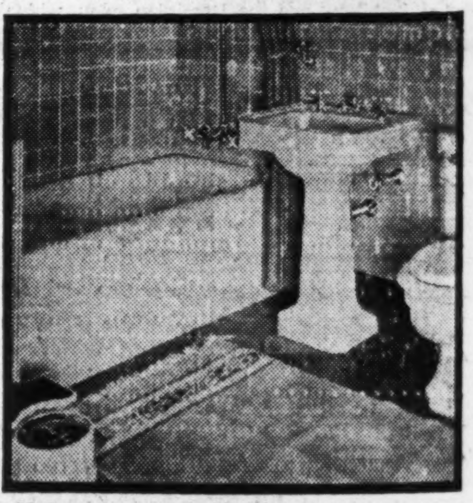
It was not enough that the scientist, the engineer and the research worker should have made astounding strides in the field of new materials, new methods during the past few years, because unlike most industries, the building and construction field is made up of many diverse groups. The builder, the contractor, the architect, the loan company, the realtor, the dealer, the carpenter, the plasterer, the bricklayer, the electrician, and many others are all important and vital to the success of modernization of home building plans once their energies can be harnessed toward merchandising the commodities they sell.

Few investments pay such rich dividends as money well spent on a home. Today there is available on attractive terms to even the humblest householder or prospective home owner the cream of the benefits and advances made in the past few years by leading minds in the building and construction field. The product they offer is: "New Homes For Old."

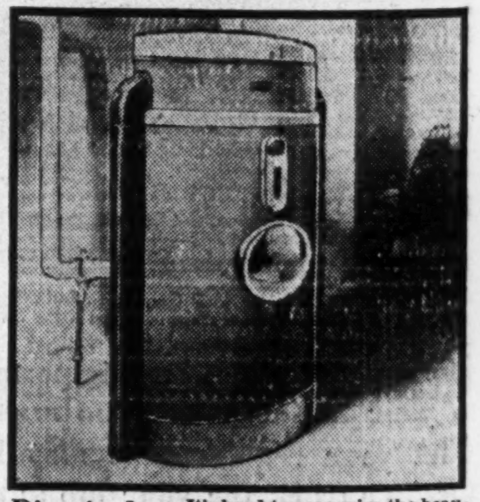
Dollars and Cents These are things that all apartment managers and owners are interested in—plus, of course, comfort for their tenants. This newly constructed block in a big Canadian city has assured itself low heating costs and high tenant comfort by installation of an up-to-date "controlled" heating plant.



Very Simple You don't need to build a new house to get the comfort and economies of insulation. Here is insulating material being literally blown in between the walls of an ordinary house.



Shiny Beauty Millions of home owners continue using old-fashioned bathroom equipment long after it is obsolete because they fail to realize how easy and inexpensively they can acquire attractive new fixtures.



Disguised It's hard to recognize the beautiful things that sell for furnaces nowadays. Whether you decide to use gas, oil, coal or electricity, the modern heating plant is a revelation.

ONE of a series of articles indicating in practical fashion the amazing opportunities for good business that lie in a programme of rehabilitation for Canadian industry. These forward-looking firms and institutions are making possible this constructive series:

FRID CONSTRUCTION COMPANY
Hamilton, Ontario
General Contractors

CANADIAN JOHNS-MANVILLE COMPANY LIMITED
"Specialists in Building and Insulating Materials"

COMBUSTION ENGINEERING CORPORATION LIMITED
Steam Plant Specialists
"Modernize and Save Money"

CRANE LIMITED
Valves Fittings Piping
Plumbing and Heating

ALUMINUM COMPANY OF CANADA LIMITED
"This is the age of Aluminum"

CANADIAN INDUSTRIES LIMITED
"Cellophane" Division
"Cellophane" the modern packaging medium

GENERAL MOTORS OF CANADA
"An eye to the future—
An ear to the ground"

GOODYEAR TIRE & RUBBER COMPANY OF CANADA LIMITED
"Goodyear Means Good Wear"

INTERNATIONAL NICKEL COMPANY OF CANADA
Nickel - Inconel - Monel Metal

LIVINGSTON STOKER CO.
Hamilton, Ontario
"Canada's finest automatic coal burner"

C. A. DUNHAM CO., LIMITED
"Dunham Differential Heating"

THE OFFICE SPECIALTY MANUFACTURING COMPANY
Filing Systems and Office Equipment

PAGE-HERSEY TUBES LIMITED
Steel Pipe
Genuine Wrought Iron Pipe

W. E. PHILLIPS COMPANY LIMITED
Pioneers in new applications of Flat Glass

NATIONAL STEEL CAR CORPORATION LIMITED
Hamilton - Montreal
"Specialists in Transportation Equipment"

PIGOTT CONSTRUCTION COMPANY, LIMITED
Hamilton, Ontario
"Builders in Stone"

ANACONDA AMERICAN BRASS LIMITED
Rustproof Copper, Brass and Bronze

BELL TELEPHONE COMPANY OF CANADA
"Continuous improvement in telephone equipment has made Canadians the world's greatest users."

CANADIAN BUSINESS EQUIPMENT MANUFACTURERS' ASSOCIATION
"Organized for Greater Service to Canadian Business"

In The Construction World

Home Modernization

MODERNIZATION is the answer to the problem of home-owners who are not satisfied with their present dwelling but whose income does not permit consideration of a new home.

Alive to the possibilities of the tremendous market for rehabilitation, renovation and modernization of existing homes, the building trades are sparing no effort in developing this type of business.

Results obtained in isolated efforts at modernization have been surprisingly successful. In Winnipeg 16,000 people visited a single house, completely renovated after lying vacant for seven or eight months with no offer to rent exceeding $25 a month.

After the dwelling was modernized it quickly rented at $60 a month, and interest created in one week resulted in 49 other modernization contracts.

* * *

Kitchens and Bathrooms

INDIRECTLY, dozens of various industries and trades benefit from even a minor modernization project. The Winnipeg house, typical of others in various parts of the Dominion, graphically illustrates what can be done by modernization for both the home owner and the building industry.

In the kitchen, for example, an old-fashioned sink and drainage board gave place to a utility-designed, modern structure. The bathroom of any house built even ten years ago offers possibilities for surprising improvements. In the Winnipeg residence, a recess tub and shower, built-in soap dishes for the bath and new basin, built-in toothbrush stands, grab-rail for the bath, towel rack and a general improvement in beauty of line and variety of colors completely changed the appearance of this part of the house.

Heating companies likewise provide a modernization service of value to the home owner who is not informed regarding the newer developments in heating engineering. The trend in this direction is complete transformation of former dusty and uninviting cellar into a recreation room. Literally, miracles of color and utility are possible in this section of the building, which may also be used as a billiard room or for other purposes.

Changes in the cellar of the Winnipeg house were made possible by installation of a system of forced warm-air heating, permitting removal of the furnace from the centre of the basement to provide space for a recreation room. Contractors are reporting increased business in this type of work, removing pipes from the finished rooms and in some cases moving laundry tubs. Installation of an additional wash room in the basement is becoming common.

* * *

Air Conditioning

AIR conditioning and humidifying of old houses is another form of modernization, possible in more cases than is generally thought. Heating problems in the Canadian west are particularly troublesome. In Winnipeg, furnace stoking is practically an eight months task, and demonstration of the modernized heating plant in that city, with its automatic stoking device, revealed that this labor-saving and fuel saving method was surprisingly little known.

Gas in Step Modernizing House Types

New Style "All-gas" Home Is Fully Air Conditioned

LOW MAINTENANCE

Now it's the "all gas" home.

Far from allowing the electrical industry to steal a march, gas companies are actively engaged in modernization, development of new uses for gas, and they are co-operating with architects and builders to provide gas-supplied homes with the latest features of home comfort.

First of its kind in the United States, but regarded as the forerunner of similar houses in Canada, a low-maintenance "all gas" house has been erected in Grand Rapids by the Grand Rapids Gas Light Co. The structure is one of the latest examples of an authentic modern home, of pre-fabricated steel, and is fully air-conditioned.

Production of the pre-fabricated steel house has made rapid progress during the last three years and manufacturers of this type of dwelling claim that mass production will greatly lessen costs of building. Advantages are also claimed from a competitive standpoint, since volume of production of the pre-fabricated type should result in lower prices than those of equivalent quality and conventional design.

Air-conditioning

From basement to roof the new type of house is maintained in comfort throughout the winter through the use of automatic gas heating and air-conditioning equipment. Other gas appliances located in the basement include automatic water heater, a refuse burner and gas heated laundry dryer.

The kitchen is a particularly interesting example of the new style. The Grand Rapids house contains a modern gas range and a 1936 model gas refrigerator. In the living room, a gas fire burns in the grate, and gas grates are also located in bedrooms and in the basement recreation room.

Major feature of the house from an operating standpoint is the low cost of maintenance and heating. The house can be kept clean with a minimum of effort and the modern insulating system keeps the cost of heating considerably below that of a house unfortified against winter weather conditions.

The new gas-equipped pre-fabricated houses are simple in construction, developed around a system of pre-fabricated panels which are assembled on the site.

Copper-bearing steel was selected for exterior wall panels of the Grand Rapids house because of its strength, endurance and relative economy, and the ease with which it is made into panel form. The steel panels are bolted to an angle iron in the concrete foundation.

Application of insulation within the walls and under the roof and floors, careful breaking of all "through" metal contacts between the outside and inside wall surfaces, tightly fitting door and window frames and careful sealing of all vertical and horizontal joints are important features of the new type of house used with modern gas heating and air-conditioning.

Practically all pre-fabricated houses built to date have been equipped for winter air-conditioning, the same principle that is used in a refrigerator, with the result that temperature control is possible both in summer and winter.

Flat roofs are used, in keeping with the demand for greater usable area within the house, the need for outdoor living facilities and recreation space. Generous window areas are provided, with exceptionally large rooms which are permitted by space-saving walls only a few inches thick yet have the insulating equivalent of masonry walls.

New Industries

Glaspie Lumber Co. is building a new sawmill at Vancouver with a daily capacity of 40,000 feet.

Standard Oil Co. will build two modern storage tanks for fuel oil at a cost of $20,000 on Vancouver Harbor.

Atlas Theatre Co. has let a contract for an new theatre at a cost of $50,000 in Victoria.

A. R. Burrows Textiles Ltd., Guelph, Ont., with branches in Toronto and Windsor, has taken over the old firm of A. R. Burrows Ltd. and will continue to operate in the Guelph plant. (Guelph Mercury).

Nead Oil Refineries, Ltd., has purchased the former Grey & Bruce Cement property from the city of Owen Sound, Ont., and will erect as well as gasoline storage tanks, an oil refinery to permit the refining of the crude oil to be brought by steamer from Michigan.

Kraft Containers Ltd., Hamilton, will erect a $100,000 plant on a site acquired from Yates Machine Co.

Whitehead Metals Products, Port Colborne, Ont., subsidiary of International Nickel, is starting the manufacture of monel metal boilers in the new plant.

The Toronto Industrial Commission announces that:

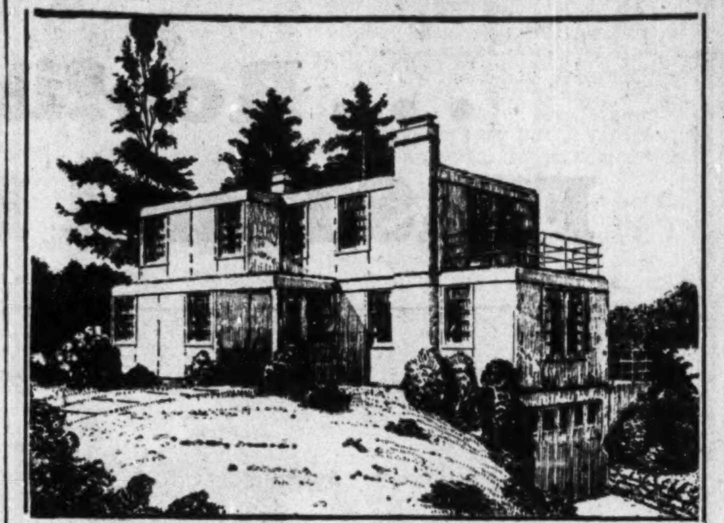
Stanley Manufacturing Co., Ltd., 1074 Queen St. E., Toronto, manufacturers of etched lithographed metal name plates and signs and metal and foil labels and seals, has purchased the business of Bastian Bros., Ltd., of Cobourg, Ont., and has consolidated its operations with the Toronto business.

Dodge Manufacturing Co., Toronto, has arranged with Alvey-Ferguson Co., Inc., Cincinnati, for the complete manufacture and sales rights in Canada of their line of gravity and trolley conveyors.

Kent-McClain, Ltd., manufacturer of show cases and other store fixtures, has purchased the large woodworking plant at 31 Commissioner St., Toronto, containing approximately an acre of floor space.

Wedlock Paper Bag Co., Ltd., formerly at 72 Dutchess St., Toronto, has moved to large quarters at the southeast corner of King and Dufferin Sts.

All Gas Air-conditioned Home



Above is shown the new type of modern, air-conditioned, gas-equipped home erected at Grand Rapids, Mich. Pre-fabricated, it embodies low cost features of construction and maintenance. Gas heating, gas refrigeration and other gas appliances are used throughout. The house is noteworthy for its complete protection against severe winter climatic conditions.

Fire-proofing Process Extends Use of Wood

Pulpboard and Timber Are Being Impregnated on a Commercial Scale in Canada

Fire-proof wood, until recently a seeming impossibility, may prove to be one of the most revolutionary materials used in the construction industry within the next few years.

Inflammable wood for construction purposes has declined in favor of metallic materials which, however, lack non-conducting qualities and the light weight of timber. With the adoption of more strict fire regulations and because of other considerations, extensive use of wood in building at one time threatened to become obsolete.

What this would mean to lumber companies, forest resources of Canada, and the livelihood of thousands dependent on the lumber industry can be imagined. The danger of a disorganized lumber industry has been largely removed, however, as the result of development of fire-resistant wood, described in a recent issue of The Financial Post.

Production of effective compounds for fire-proofing of wood is now a commercial process in Canada.

Fire-proofing does not mean the wood is completely unaffected by flame or high temperature. If the temperature is raised sufficiently, wood can be split into volatile inflammable gases, and a black residue, charcoal, results.

Will Not Flame

Lumber not treated by the new fire-resistant processes flames and finally is reduced to ash. When effectively fire-proofed, it will still char but will not flame. Moreover, the char residue of fire-proofed wood continues to retain considerable strength, and the charred surface can serve as a protection from further attacks.

Progress to date in developing the new material results from extensive research extending over years. The theory of the action of suitable materials has been established, and the most efficient fire-proofing agent now available has a three-fold action.

First, it is decomposed at a temperature below that at which wood will ordinarily decompose, so that when the inflammable vapors resulting from breakdown of the wood are discharged, non-inflammable vapors from the fire-proofing agent are given off simultaneously. These in turn are discharged in sufficient quantity to prevent flaming of the wood

A further fire preventive action is that the gas mixture driven off by raising the temperature forms an insulating film around the fire-proofed material and reduces the severity of the flame.

Glassy Film Formed

The second factor of importance is the desirability of fire-proofing substances decomposing in such a way as to give a glassy mass on the surface of the treated wood. This has been achieved and the process forms a solid film over the surface. Entrance of oxygen or air is thus prevented, and the material does not burn. It is charred, but retains its form.

The third advantage of the modern product is that the most efficient fire-proofing method prevents after-glow of the charred residue when the attacking flame is removed.

Canadian Industries Limited, after devoting research efforts along the line of achieving the more important requirements of a lumber fire-proofing compound, developed a material of which the principal ingredients are monammonium phosphate and ammonium sulphate.

The compound is decomposed on heating and evolves vapors which choke flames. It likewise forms a glaze to protect the wood from burning and prevent after-glowing of the charred residue. It is a white crystalline powder, soluble in water. Application to the lumber is by means of an aqueous solution, and it can penetrate the material, remaining in the fibres of the wood after a drying treatment.

Impregnation

Timber can be fire-proofed in varying degrees, depending on the extent of fire protection needed. One method is to impregnate timber completely with the fire-proofing solution and make it fire-proof throughout. This, of course, is the best form of treatment, but it necessitates special apparatus capable of withstanding pressures up to 200 lb. per sq. in.

The apparatus is in common use for creosoting wood. The process consists in immersing the wood in a 15 per cent solution of fire-proofing salt, then applying a pressure of from 100 to 200 lb. per sq., in., and after removal and draining, carefully drying either in a kiln or in the open. Absorption of about 12 per cent or four to eight lb. of salt per cu. ft. is required for this method.

For certain building and structural uses, complete penetration of the fire-proofing material is not necessary in all cases. Effective protection is afforded by a fire-proofed layer only a quarter to half an inch thick, and to obtain this treatment by hot and cold steeping in an open tank is all that is needed.

Partial Fire-proofing

In this method, wood is immersed in the fire-proofing solution, which is then heated to about 90 deg. C. or just below its boiling point, and is maintained at this temperature for some hours.

Air in the pores of the wood is expanded during this interval, and much is driven out of the wood, although little absorption of the solution actually takes place. The timber is then allowed to remain in the solution while this is cooled down, or it may be quickly transferred to a cold solution and allowed to cool in this.

At the same time, air left in the pores contracts and draws the solution into the wood so that it is actually in the cooling process that most of the absorption of the fire-proofing solution takes place. Variations of this method are possible for various requirements, and in the steeping process solutions of 25 per cent or more may be used.

Even spraying or brushing will give some measure of protection to wood by use of the new material. Paint and varnish must first be removed, and coats of the solution applied. Plywood may be treated in the same way as timber. Usually, however, this is more readily impregnated and complete impregnation can be effected by the hot and cold steeping method.

Pulpboard can also be completely fireproofed by the simple process of dipping it in a hot solution of the fireproofing compound. The time of immersion varies considerably with the heating temperature and the type of pulpboard.

Vacuum Home

Air Conditioning Reaches High Point Of Weather Control

Possibilities of the air-conditioned home of the future have long been known to construction engineers and experts, but a house recently constructed in Lexington, Massachusetts, demonstrates in a spectacular way the "vacuum bottle principle." Adapted to house construction, this can render a dwelling entirely independent of all weather conditions.

Walls of the Lexington structure are 14 inches thick, and its windows are never open. The heating system functions without registers or radiators.

For the last year the structure has been under observation by Frederick Stearns, assistant professor of Mechanical Engineering at Western University. In that period, because of automatic air conditioning, built into the dwelling, inside temperature and humidity have remained practically constant, regardless of outside weather conditions.

Observations carried out during periods of varying temperature indicate that constant temperature can be maintained indefinitely.

Pre-fabricated Dwellings To Be Made in Saint John

Arrangements are completed for the manufacture of ready-cut homes in Saint John, New Brunswick.

The Aladdin Co. has placed orders for special machinery which will be installed to handle the new industry.

Nearly 90,000 of the pre-fabricated type of homes have been erected during the last few years by the Aladdin company. Improved demand for this type of building in the maritime provinces necessitated arrangements for their manufacture at Saint John.

Maps Bringing Town Building

Town councillors of New Toronto, Ontario, impatient over the long-awaited building revival, are out to stage a building boom on their own.

An ambitious residential and industrial building programme for the spring is already planned, and the town council has ordered modernization of its own building by-laws. An appropriation has been voted for maps of the town for the use of prospective builders.

New Toronto is already reaping the benefits. Building permits for January and February totalled $285,000, compared with $14,000 for the corresponding period for 1935.

COAST TO COAST SERVICE

The Offices of

Gypsum, Lime and Alabastine, Canada, Limited

are conveniently located at the following strategic points:

Head Office — Paris, Ontario, Canada

Montreal—905 University Tower
Toronto—701 Federal Building
Winnipeg
Vancouver—509 Richards Street

The architect, builder and home-owner is offered the most complete service available in gypsum and lime products.

Insulates . . . Decorates . . . Quiets Noise

Because TEN/TEST efficiently serves so many diversified purposes, it is one of the most economical items in the construction of any building. TEN/TEST provides dependable insulation against extremes of temperature, making rooms more comfortable, more livable, all year round. It quiets noise, reducing sound transmission from one room to another, an important factor in apartment houses, offices and public buildings. For interior finish TEN/TEST is adaptable to every form of decoration —it can be panelled, bevelled, grooved, carved or painted. Write for interesting literature describing its many uses.

TEN/TEST
INSULATING WALL BOARD

INTERNATIONAL FIBRE BOARD LIMITED • OTTAWA, ONT.

418-419 Bloor Bldg.
Toronto, Ont.

638 Dominion Sq. Bldg.
Montreal, P.Q.

Want the *Latest Ideas* to make your home *Modern* and *Comfortable*-cheaply?
-THEN SEND FOR THESE FREE BOOKS

JOHNS-MANVILLE, Dept. FP-361, Toronto, Ontario
I am planning to remodel my home. Send me the book, "101 Practical Suggestions For Home Improvements" free ☐. I am considering building. Send me a free copy of the book, "40 Points You Should Consider in Building Your New Home" ☐. I am especially interested in Home Insulation ☐; Insulating Board for extra rooms ☐; an Asbestos Shingle roof ☐; Cedargrain Asbestos Siding Shingles ☐.

Name ....
Address ....

MAIL THE COUPON NOW

Help Market the Products of Your NEW Plant

by Building it with CANADIAN STEEL

You create jobs for Canadians when your demand 100% Canadian Steel for your factory buildings and equipment. These added wage-earners increase the purchasing power of your market. It is thus good business for you to specify 100% Canadian Steel.

DOMINION FOUNDRIES & STEEL, Limited
HAMILTON : CANADA

STEEL PLATE — TIN PLATE — STEEL CASTINGS

A Plumbing and Heating Service *for*

Architects, Builders and Property-owners

WHETHER YOU are building or modernizing a home . . . a block of apartments . . . or a row of houses—whether you are an actual or prospective property-owner . . . an architect or a building contractor, you can enjoy the benefit of Crane's unrivalled plumbing and heating experience *freely* and without incurring any obligation.

Crane . . . in co-operation with your architect or builder . . . will advise you on any plumbing or heating problem . . . suggesting the types of fixtures or fittings that will prove most economical . . . recommending methods that will save you money.

In the Crane Exhibit Rooms you will be shown the most comprehensive line of plumbing and heating materials available in this country—new ideas in kitchen equipment . . . bathroom fixtures . . . radiators . . . boilers.

Should you later decide to use Crane materials, Crane will work with the plumbing contractor you employ, co-operating with him to assure the best possible job at the least possible cost.

This service involves no *additional* expense to you either directly or indirectly. Simply get in touch with the nearest Crane branch.

CRANE

CRANE LIMITED. GENERAL OFFICES: 1170 BEAVER HALL SQUARE, MONTREAL
BRANCHES AND SALES OFFICES IN 18 CITIES
VALVES, FITTINGS, FABRICATED PIPE, PUMPS, HEATING AND PLUMBING MATERIALS
IN TORONTO AT 306 FRONT ST. WEST

Electric Modernization Transforms Old Houses

Adequate Wiring and Outlet Facilities Essential for New Equipment in All Parts of Home

Canadian homes built as recently as five years ago are not equipped in many instances to take advantage of the new electrical conveniences now available from research and development within the electrical industry.

Today in the modern home, electricity provides automatically controlled heat to cook, automatic cold to preserve perishables, automatic dish-washing, automatic air conditioning, and for other conveniences aimed at a greater degree of living comfort.

Adequate Wiring

Modern electrical equipment is not available to the modern home alone. Older dwellings can be modernized to an appreciable extent by the newer electrical developments, but in this case first thought must be given to the adequacy of existing wiring in the home. In most cases, wiring is sufficient to take care of any possible lighting load, and the load imposed by toasters, irons, refrigerators, washing machines and other appliances.

Electrical loads imposed by the electric range, water heater and some other pieces of equipment are nevertheless too great for existing circuits and service in some older homes. In this event, it is necessary when considering modernization, to arrange that the service to the home will take care of present loads and provide adequate margin for future requirements.

Outlets Needed

Modernization also involves provision for an adequate number of electric outlets.

Outlets in the living room are needed to take care of portable lamps at either side of easy chairs and both ends of chesterfields. Other outlets for vacuum cleaner, radio and electric clock are also needed, and these should not be overlooked in the kitchen, dining room, bedrooms and basement. Forethought in this direction, experts say, can save money in avoiding later ripping of woodwork and baseboards for outlet plug installations.

Covers Entire House

Assuming that complete electrical modernization of an existing dwelling is desired, and that steps have been taken to provide for adequate wiring, what equipment should then be considered?

The answer is given by E. T. Burns of the Home Bureau of the Canadian General Electric Company Limited.

Says Mr. Burns, "Attention should first be turned to the basement. In most homes the basement is merely a necessary evil for storage of fuel and old furniture, housing the heating equipment and possibly the laundry. The basement is an unattractive place in the ordinary home, yet it offers valuable space which may be used for children's play room, recreation and game room for adults; as well as storage space for idle furniture, trunks, etc.

Air Conditioning

"Installation of unit type air conditioning equipment, either oil or gas fired, will do away with all old coal bins and ash cans with their resultant dust and dirt," Mr. Burns says. "The air conditioning equipment, whether for winter heating or summer cooling, or both, takes up a minimum of space. It has an attractive appearance and is quiet and clean to an extent that it becomes merely a part of the furnishing of an attractive basement room.

"Impressive as it is, the external appearance of air conditioning equipment is, of course, a minor feature. True winter air conditioning equipment, automatically controls temperature within narrow limits. It automatically maintains unvarying humidity and cleans, circulates the air throughout the house without draft or noise. By ventilation it adds fresh outside air as this is required.

"In summer, air conditioning equipment may be added which in addition to cleaning, circulating and ventilating, will cool and dehumidify the air within the house so that through the hottest and most humid weather, life indoors is without discomfort.

"An attractive basement room, finished in spotless white, is being set aside in many dwellings for laundry purposes, equipped with electric washing machine and electric ironer."

Kitchens with antiquated stoves, inefficient ice-box, sink, pantry and work table are also passing.

Scientifically planned equipment includes electric refrigeration, electric range, an arrangement of sink, electric dish washer and working services, as well as cabinet space, in a manner that reduces the housewife's steps to a minimum.

Living Room Improvements

Modernization of the living and dining rooms can be made very effective as a result of designs and materials developed by the Canadian General Electric Company and its Home Bureau. So far as the living room is concerned, lighting is of paramount importance, and while it must be ample, it has also to be free from glare. The room should be evenly lighted, eliminating contrasts.

In the dining room, intensity of light is not so important, but as this room necessitates use of many electrical appliances, it should be provided with a number of electrical outlets. Radio, clock, portable lamps, toaster, coffee-maker, waffle iron, and a score of other small appliances are normally used in dining rooms.

Bedroom Lighting

Experts emphasize also the necessity of suitable lighting in bedrooms and bathrooms. Auxiliary lighting should be provided at dressing tables, mirrors and beds, as well as the general illumination.

Lights controlled by opening and closing of doors should be provided in clothes closets, and outlets located to take care of curling tongs, sun lamps, heating pads, electric alarm clocks, and possibly small portable radios.

Dark stairways, doorways and garage entrances unlighted except from other sources are a thing of the past in the modernized home. Safe lighting can be made available at the flip of a switch. With their safety, labor-saving and increased comfort, the new electrically modernized homes are becoming increasingly numerous in Canada, Mr. Burns concludes.

West Meets East At London Show

That the recent British Industries Fair in London actually resulted in the placing of orders by Canadians for Canadian goods is told by Frederic Hudd, Chief Canadian Trade Commissioner in the United Kingdom in a recent broadcast.

He records that a buyer from British Columbia was introduced to a product from Eastern Canada displayed at the fair, which subsequently resulted in large orders.

Mr. Hudd spoke in high praise of the Canadian section of the exhibition, pointing out that Canadian goods on display ranged from foodstuffs to rubber boots, and from toys, minerals and canned goods to jewellery, tobacco and furs — "a truly representative display."

Expanded Lumber Trade With South Africa Seen

Requirements of South Africa's construction programme are being met from Empire sources, according to J. Ashman, of the South African Society in America.

Canada's lumber industry has already benefitted from the programme to the extent of 672,000 ft.

Phones Placed In All Rooms

Plug-in Service Embodied in New Canadian Homes

A telephone in every room.

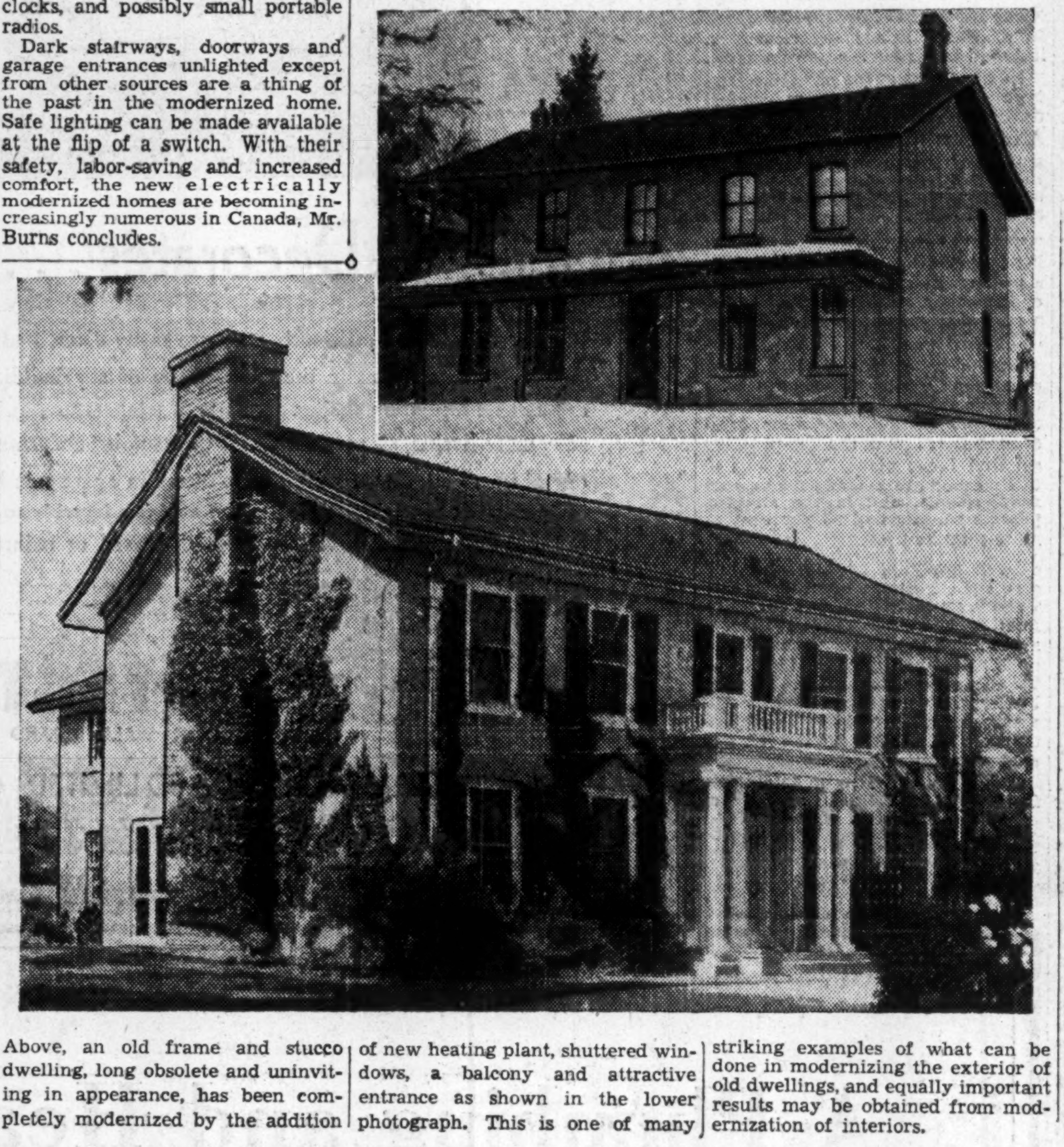
Newer houses are being wired for "all-room" telephone service through co-operation of architects with the Bell Telephone Co. of Canada, and telephone officials believe the time will come when telephone service in each room will be almost as common as electric light fixtures.

To date, the use of home extension service has been large, and the trend toward at least two telephones in each home is definitely more pronounced, Bell Telephone officials state. They regard the tendency as a further evidence of increased home modernization.

Plugs For All Rooms

The "all-room" telephone service does not, however, mean that every room has its telephone. One telephone and an extension are all that are required but a telephone can be carried from room to room and plugged in at outlets conveniently located in bedrooms, bathrooms, living and dining rooms.

New Houses for Old



Above, an old frame and stucco dwelling, long obsolete and uninviting in appearance, has been completely modernized by the addition of new heating plant, shuttered windows, a balcony and attractive entrance as shown in the lower photograph. This is one of many striking examples of what can be done in modernizing the exterior of old dwellings, and equally important results may be obtained from modernization of interiors.

Venetian Drop Widely Used

Complete Control of Light and Full Ventilation Achieved

Venetian blinds are the medium by which complete control of light and ventilation is achieved in modern homes.

Simple manipulation of a cord allows adjustment of this type of blind to any degree of light, unlike the old type which had no control beyond the height at which light can enter a room. No matter what adjustment is made, however, Venetian blinds continue to provide complete ventilation with complete elimination of draft.

It is possible, with the newer types, to "throw" light in any desired direction within the room. A wide range of colors is being marketed with special consideration for light diffusing qualities of various shades. Dusting cleans these blinds.

Building Contracts

During the month of January, contracts awarded for building and engineering projects throughout the Dominion, as compiled by MacLean Building Reports, Ltd., amounted to $13,610,400.

Regina Jubilee Year

Regina Board of Trade is this year celebrating its jubilee. The population has grown fror 4,000 to 55,000 in the half-century.

CARTER-HALLS-ALDINGER
Company, Limited
GENERAL CONTRACTORS
PUBLIC BUILDINGS — INDUSTRIAL PLANTS
TERMINAL GRAIN ELEVATORS—STREET PAVING
POWER DEVELOPMENTS — HIGHWAY WORK
Operating All Over Canada
Offices:
TORONTO - WINNIPEG - REGINA - VANCOUVER

RUSSELL CONSTRUCTION
COMPANY LIMITED
GENERAL CONTRACTORS
Buildings, Bridges, Marine Work, Foundation Specialists, Valuations
504 HARBOR BUILDING TORONTO, ONTARIO
Adelaide 1075

. . . Roofing for the FIRST and LAST Time!

. . . because the owners ordered a J-M Built-Up Asbestos Roof, insulated with J-M Rigid Roofinsul

Johns-Manville
BUILT-UP
ASBESTOS
ROOFS

THE roofers lay the last felt, pick up pots and brushes and leave. The roof is finished . . . *and so are the owners' roofing worries.*

Their J-M Built-Up Asbestos Roof insures maximum resistance to the ravages of time, fire and the elements. Their J-M Rigid Roofinsul provides lasting protection against rot and corrosion in the roof deck. J-M Asbestos Roofing Felts are composed of pure asbestos fibres. Even when impregnated and coated with asphalt, they absolutely will not support combustion. Furthermore, because asbestos fibre is non-capillary, the felts form a positive barrier against evaporation of the waterproofing asphalts both in and between the plies, despite the intense drying-out action of the sun.

Because asbestos itself is imperishable, J-M Asbestos Roofing is *permanent*. It is decidedly economical in first cost; it stands up for years without any expense for upkeep.

J-M Rigid Roofinsul not only prevents condensation and roof drip, thus protecting the deck against rot and corrosion . . . but it also prevents damage to roofing felts because of deck movement, it improves working conditions, and it saves fuel.

May we furnish more complete information in regard to J-M roofing materials? May we co-operate, out of our 60 years of roofing experience, in the solution of your specific roofing problems? Send for your free copy of the new book, "Facts About Built-up Roofs."

APPLYING J-M RIGID ROOFINSUL. Strong. Efficient. Especially designed for insulating roofs of industrial, commercial and institutional buildings.

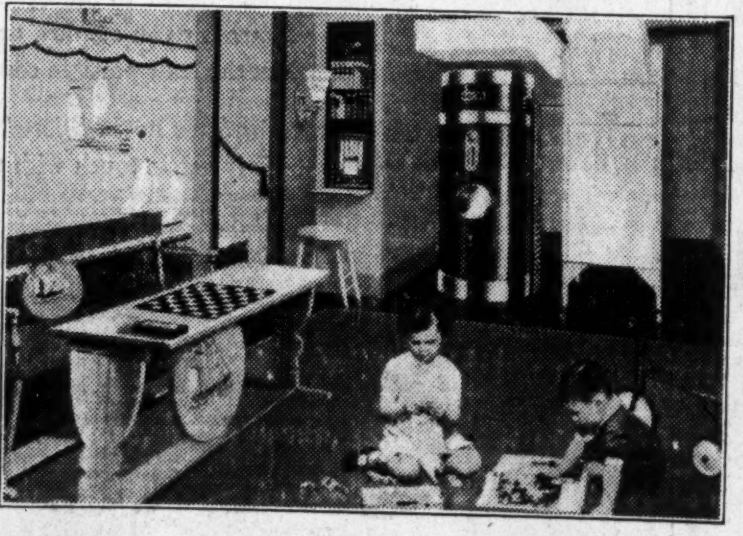
JM

Canadian Johns-Manville Co., Limited
Laird Drive (Leaside) Toronto

Enjoy Better Living in a "GENERAL ELECTRIC HOME"

Designed
"From the Inside Out"
for
Greater Comfort . .
More Convenience . .
New Economy

A typical G-E LIVING ROOM . . . air-conditioned and scientifically lighted . . . where the air is always fresh as spring, and the light is kind to your eyes.



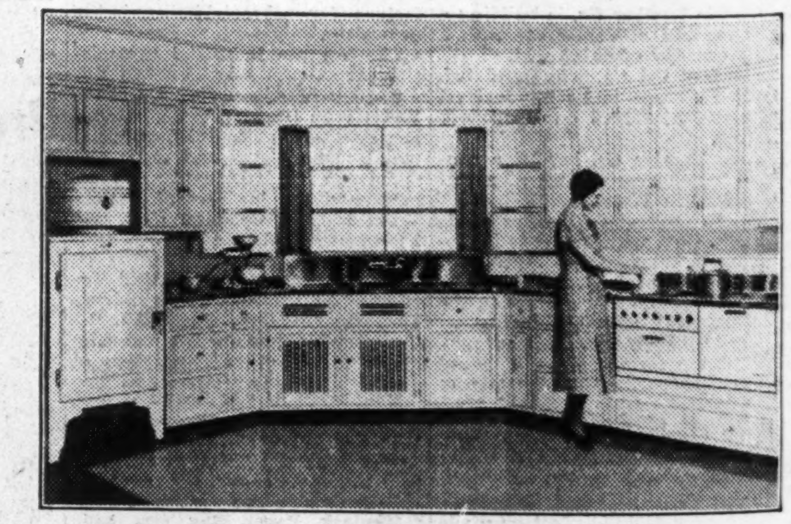
There's fun for young and old in the cheerful G-E RECREATION ROOM . . . which takes the place of the old-fashioned furnace room in the modern basement.

BEFORE you modernize your present home, or build a new one, be sure to get complete information on the "General Electric Home." It will give you many practical and helpful suggestions which can readily be incorporated in your own plans.

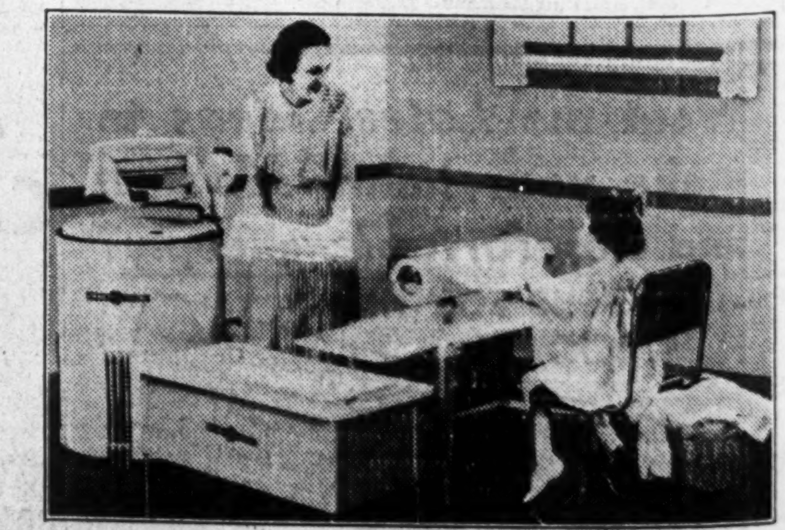
Look at the interior views of a typical General Electric Home, and you will see that it offers you the most modern of electrical conveniences. It enables you to "live electrically" — with greater comfort and new economy.

Because the "General Electric Home" is "designed from the inside out," it is adaptable to any type of architecture.

We will be glad to send you, on request, the new illustrated booklet, "Come into the General Electric Home." Just address your request to the company at 212 King Street West, Toronto.



Work becomes play in such a modern GENERAL ELECTRIC KITCHEN . . . with automatic electric cookery and refrigeration. Even the dishes are washed electrically.



A G-E HOME LAUNDRY like this means no more "Blue Mondays." Clothes are washed perfectly without tedious labor—and ironing becomes child's play.

CANADIAN GENERAL ELECTRIC CO., LIMITED

K-16

Sheet Copper Finding Favor

New Type of Electrolytic Has Variety of Insulation Uses

Successful development of a special process of electrolytic sheet copper indicates coming widespread use of this material in building.

The new process consists of electrolytic deposition on extremely thin sheet copper in wide widths and long lengths. The result is a strong and rust-proof "electro-sheet" at such low cost that it has manifold applications in building construction of all types.

The new copper product, which can be produced more cheaply as the result of declines in copper prices, serves as an efficient and cheap damp-proofing and weather-proofing material. It prevents moisture from entering basements, can be used as insulation in summer and winter, and is readily bonded with other materials.

Asbestos Used

Electro-sheet copper is being marketed in combination with 20 lb. asbestos felt as a material for roll roofing and siding. This product, produced by Anaconda, and known by the trade name of "Copperclad," is flexible, strong and easily applied. Electro-sheet is also bonded to Sisalkraft, an unusually tough and strong building paper. The bond provides extremely flexible material which is used for window and door flashing as well as water-proofing and damp-proofing.

A further use of the new material is in conjunction with rubber-steel cloth, the latter made of high tensile strength rubber sheeting, and combined with the copper results in a flexible product used for insulation.

Rustless Brass Plumbing Trend

Much Superior — Costs Little More Than Old Type

Outstanding among new developments in plumbing and heating practice is the pronounced increase in the use of rustless brass pipes for hot and cold water lines.

A generation ago, piping was exposed and easily accessible so that the need for permanent water pipe was not as great as at the present time Less water was used. Replacements were expected, and relatively inexpensive to make.

Modern plumbing is, however, concealed behind walls and under floors, and repair and eventual replacement of rusted water lines amount to a considerable sum to the home owner.

Rustless Pipe Used

A recent development of rustless brass pipe which will neither discolor the water nor choke the pipes and reduce the flow, is made from an alloy of pure copper and zinc.

Admittedly superior to the rusting type of pipe, use of rustless pipe for a seven or eight-roomed house costs about $60 more than pipe subject to rust. Recent declines in copper prices have, however, reduced the cost of rustless pipe to consumers, and provided the basis of a reduction of about one-third in the price of the finished article.

Copper Tubing

Another type of rust-proof plumbing installation that has increased in favor during the last year or two is a copper tube assembled with the solder type of fittings.

Soldering instead of threading is used to make the joints for these copper tubes, and since the tube is not threaded, it may be made correspondingly lighter, thereby reducing the cost per foot. Tests made on these tubes, fittings and solder joints show more than ample strength for ordinary plumbing purposes.

Winnipeg Moves Buy Out Trams

Action Taken After Two Years Study—Company Not Interested

From Our Own Correspondent

MONTREAL.—After two years of deliberation the Winnipeg Civic Transportation Committee has indicated its willingness to submit a by-law to the ratepayers for purchase of the Winnipeg Electric Co.'s street railway system and other holdings.

At one time this would have been welcome news to the company, but in view of the reorganization plans recently completed, it is unlikely that the company will consider this proposal.

The committee now recommends the by-law be submitted authorizing the city to purchase the assets of the company and associated enterprises for $32 millions providing the company records were produced to substantiate figures of city officials as to the value of the company's holdings.

Montreal Island Power Faces More Flood Claims

From Our Own Correspondent

MONTREAL.—A further 46 claims for flood damages against the Montreal Island Power Co. will be heard this month by the Quebec Public Service Commission.

Since 1933, 150 claims for amounts totalling over $1 million damage will have been heard by the Quebec Commission by the end of 1936. The present batch of claims is expected to be the last.

Public Utility Earnings

Barcelona Traction

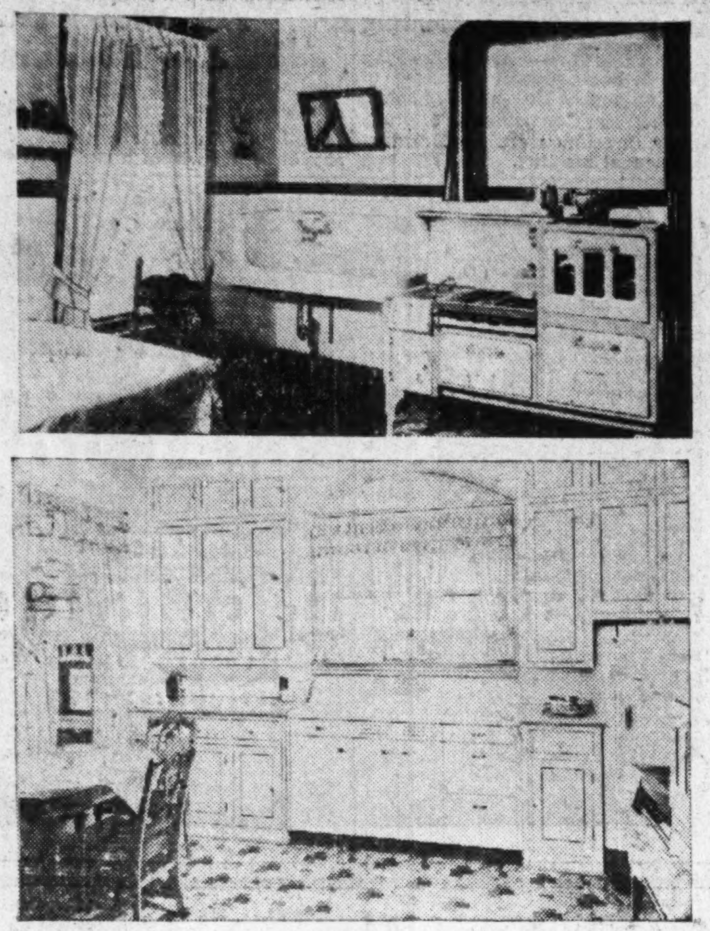
January	1936 Pesetas.	1935 Pesetas.	Increase Pesetas.
Gross earn.	11,744,070	11,688,210	55,860
Oper. exp.	3,823,336	3,978,932	*155,596
Net earnings	7,920,734	7,709,278	211,456

*Decrease.

Brazilian Traction

January	1936 $	1935 $	Decrease $
Gross earn.	2,455,378	2,574,579	119,201
Oper. exp.	1,144,897	1,214,450	69,553
Net earnings	1,310,481	1,360,129	49,648
Aggreg. Gross from Jan. 1st	2,455,378	2,574,579	119,201
Aggreg. Net from Jan. 1st	1,310,481	1,360,129	49,648

Old and New in Kitchen Design



Upper photograph shows the old style kitchen, open sink space, unsightly plumbing fixtures and lack of cupboard space. Below, the same kitchen after modernization under the direction of home design experts. Modern metal sink, with window space above it, new labor-saving equipment and brightly colored walls and floors have replaced makeshift arrangements and provide an amazing amount of cupboard space.

Slum Clearance Effort Humane but Ineffective

Apartments Replace Hovels in Cleveland Experiment, But New Ills Follow When Former Inhabitants Removed

Cleveland, Ohio, is the laboratory of the low-cost housing movement.

This designation is given Cleveland because Cleveland is one city where low-cost housing projects can be put in the test-tube of comparison and their formula written down without guesswork.

The principal objective of slum clearance is social betterment, but it is recognized that slum clearance, to accomplish that goal, must actually provide better habitation for the same income group which lived in the eradicated slums.

A housing project which scatters the former inhabitants of a slum and replaces their former dwellings with housing for a higher income group is not slum clearance. It does not eradicate a slum, but merely moves it elsewhere.

Under these conditions, accurate and honest analysis of the slum clearance projects requires that all factors be considered.

Cost of New Housing

It must be determined, for example, what sort of buildings were razed, what sort of people lived in them and how they lived, what rents they paid, what conveniences they got along with—or without—and then see what sort of accommodations are being provided for them and at what cost.

All these things must be known if authorities are to form accurate judgments as to whether the new projects are going to accomplish their objective, or whether they are going to be what one observer describes as "a terrible headache."

Cleveland offers the most favorable opportunity for studying the problem.

In Cleveland, information is available concerning the previous status of the properties and the people involved. This is due to the work of the Real Property Inventory of metropolitan Cleveland.

This organization came into being when the Federal Emergency Relief Administration in 1934 finished its real property inventory in 64 cities of the United States and prepared to store the data away because there was no more money to spend on it.

The Cleveland organization asked for and obtained the cards of the Cleveland district and employed local relief workers to assemble the data by census districts.

Three Projects Exist

Three projects for low-cost housing have been carried out in Cleveland. Oldest, best-known and farthest-advanced is the Cedar-Central, so-called from its principal boundary streets.

Statistics compiled for this area show that of 432 family unit dwellings in the tract, 29 were reported to be in good condition, 169 needed minor repairs, 149 needed major repairs and 85 were pronounced unfit for human occupancy. It was conceded that a real slum existed, but even then 57 families had one automobile each and three had two cars.

Of the 66 apartments in the tract, 15 rented for less than $3 per month per room, 10 rented for between $3 and $3.99, eight for from $4 to $4.99, and six for from $5 to $5.99 per month per room. Half of all rental apartments in the district brought less than $5 per month per room.

District Largely Negro

The figures present a fairly accurate picture of the economic status of the families, largely negro, who moved out to make way for the new project. They were living in ramshackle buildings, heated with stoves for which much of the fuel was picked up wherever it could be found, and going without practically every necessity for decent living.

What is being provided for them?

The new development is now in process of construction. These buildings will include 654 family units, 2,312 rooms in all, divided into from eight to two-room apartments. There will be 19 residences of concrete and brick, averaging about 35 families to the building. There will also be two store buildings, housing nine stores, and two garage buildings containing 80 private garages.

Every apartment will have steam heat and electricity, gas for cooking, hot water, garbage incinerators, separate unit refrigeration to be used and paid for at the option of the tenant, and general laundries in the basement of each building.

As in all the housing projects, only about 25 per cent of the land will be covered by buildings, the rest being given over to lawns and landscaping.

What of the Occupants?

The first reaction was that transformation from a slum to the existing project is an outstanding contribution to humanity.

Questions arise, however, as to the ability and willingness of the slum family to adapt itself to modern apartment dwelling.

There is a question also as to the financial possibility of such a change. Those who dwelt in the now destroyed slums did not do so because no better quarters were to be had, but because they could afford nothing better.

This in turn leads to the question of who is going to get the benefit of this particular housing development. It will depend almost entirely on what the rents are going to be.

Cost $3 Millions

Net cost of the land for the project was $581,712, and the building contract called for $2,486,040—a total of $3,067,752.

Fees for architects and supervision of construction would amount to at least five per cent on the contracts, but omitting that, and funding the land and building totals at three per cent, which is certainly as low a rate as the U. S. government can expect to pay for money over the period, the annual carrying costs will be $92,032.

This means $39.80 per room per year on the 2,312 rooms, or $3.32 per room per month.

Carrying costs are only part of the basis for rentals, however. Operation and maintenance must be considered.

Private apartment house operators, of course, must allow for taxes, but the Cleveland projects are government-owned and cannot be taxed. There is a saving to that extent, in one sense, but they, like other apartment operators, must pay the city of Cleveland for water, and should pay for sewers, although the city might be induced to set those services off against its savings in police and fire protection for the area, and still be ahead.

$5 Per Room Per Month

To take only the necessary items, however, and to take them at a minimum, it seems that at least $5 per month per room will have to be paid for operation, management and maintenance. That means that rents in the area must average $8.32 per room per month.

Can such rents be collected? If not, what then?

It is distressingly apparent, observers say, that income groups which lived in the area before the government took it over can never pay this rent. The margin is too great.

If these projects cannot house the groups whose homes were destroyed and break even, what then is to be done with them?

Only one answer is possible. The projects must house the groups for whom they were supposedly built and lose a lot of money every year, or they must be rented to those who will pay enough to keep them out of the loss column.

In the latter case, they are neither slum clearance nor low-cost housing, and they must be recognized as government participation in the private business of apartment house construction.

The area can be rented to be self-supporting, it is true, but it will have to be to a different group than that which lived in the neighborhood previously. It happens to be only half a mile or less from the business section, and office and store workers would probably welcome a chance to move into it from the privately owned buildings where they now live.

Steel of Canada Plans Big Outlay

Company to Spend Millions on Replacements

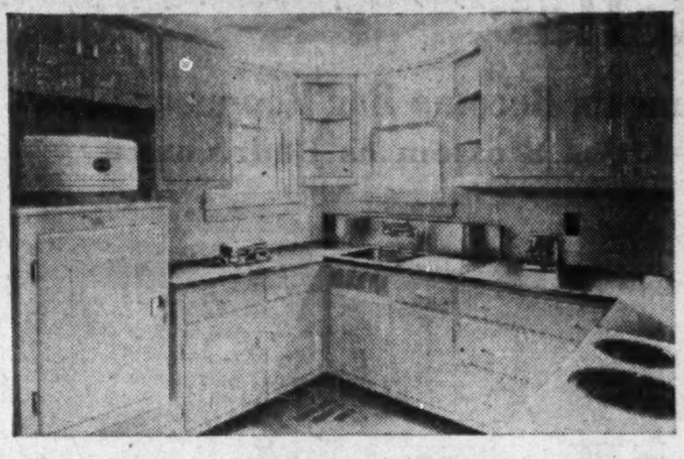
From Our Own Correspondent

MONTREAL. — Expenditures on plants running into several million dollars are planned by Steel Co. of Canada over the course of the next few years. The Hamilton by-product coke ovens have just about completed their life expectancy of approximately 20 years, and will require rebuilding which will involve a sum of practically $2 millions. Some of the company's older open-hearth furnaces will need replacement in due course by furnaces of a more efficient type. A substantial expenditure will be required to remodel the blooming mill which is one of the early improvements installed shortly after the formation of the company. Other replacement expenditures will be made to provide more efficient and modern equipment for the varied line manufactured and will also increase the demands upon the liquid capital of the company.

Galvanized Sheets

Production of galvanized sheets in Canada during the fourth quarter of 1935 was 13,340 tons compared year ago.

The Modern Kitchen



Equipped with Monel Metal sink and working table, Canadian General Electric's refrigeration, and designed with a view to time and labor saving for the housewife, the modern kitchen shown above is typical of installations in newer Canadian homes. Complete modernization of old-fashioned kitchens to the same degree of efficiency is now possible.

Dominion Coal Co. Output Off Last Month

From Our Own Correspondent

MONTREAL. — Dominion Coal Co.'s production in February dropped 27,642 tons to a total of 207,903 tons in comparison with the same month a year ago. Production in January amounted to 221,527 tons.

World Silver

New silver production of the world was estimated at 15,473,000 ounces in November as compared with 16,801,000 in October. The Mexican output declined 26.6 per cent to 3,844,000 ounces, while the United States production fell 4.6 per cent to 3,194,000. The Peruvian output was lower at 1,577,000 ounces.

Power Corp. Group Report Higher Output

From Our Own Correspondent

MONTREAL. — Subsidiary and affiliated companies of Power Corp. of Canada report an output of 182.3 million kw.h. of electrical energy during January, an increase of 4.16 per cent over the same month a year ago.

The principal contributors to this increase were the Winnipeg Electric group, B. C. Power and Canada Northern Power. Declines were registered by Southern Canada Power, East Kootenay Power and Northern British Columbia Power.

January Kw.h. Output

	1936	1935
Southern Canada	12,482,720	17,655,850
Northern Canada	50,159,021	48,724,360
East Kootenay	5,852,372	6,224,744
B. C. Power	47,122,916	44,439,402
Northern B. C.	930,476	1,018,332
Winnipeg Electric	13,780,500	13,667,800
Manitoba Power	48,455,000	41,869,000
Northwestern Power	3,525,900	1,422,800
	182,308,905	175,022,378

FARES IN ARBITRATION

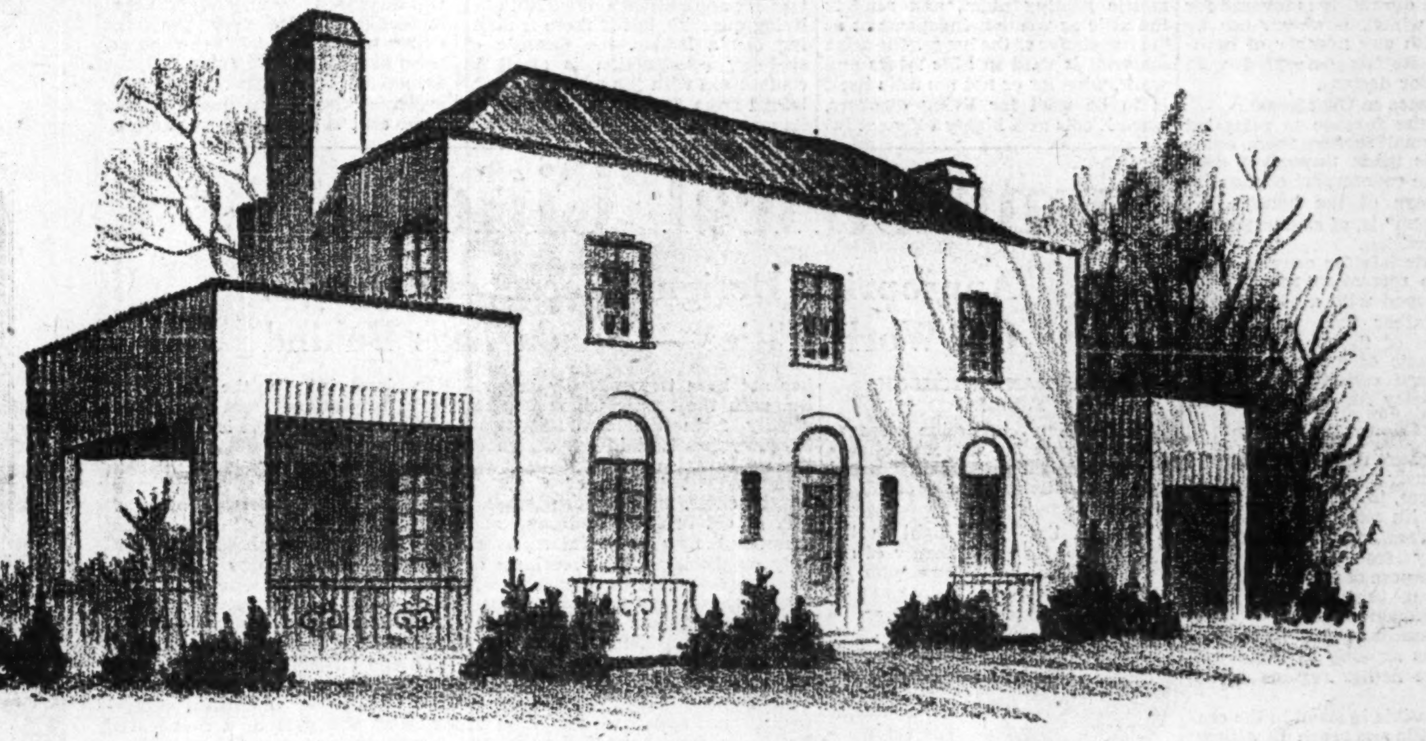
From Our Own Correspondent

VANCOUVER. — B. C. Electric Railway (B. C. Power) cannot agree to a reduction in car fare rates in Vancouver and will, if necessary, go to arbitration.

Agreements between the city and the company are made every three years. The present one expires in November, 1937. Negotiations for the next three-year period will commence in May.

Designed for Modern Living—

PIGOTT-BUILT HOMES



Built from the INSIDE out to give you
- Safety from Fire.
- Comfort in all Weather Conditions.
- Permanency in Construction that safeguards your investment.

TO what extent has a man's house changed from the early haphazard construction of Canada's pioneer days? He has brought the mechanical service of electrical appliances into it, but otherwise it has progressed practically not at all. The house has remained the same shell from which his father and his father's father expected and tolerated limited and inefficient shelter with an imposing exterior.

A man builds a home, usually, once only in a lifetime. Uncertainty and fear of inefficiency, obsolescence and deterioration often holds him back. Pigott-Built Homes are news in that they replace that uncertainty and fear with confidence and responsibility. They are built of the most nearly indestructible construction materials obtainable, and—they LAST.

Along with the new type of construction, Pigott-Built Homes give you the benefit of a complete unified service which includes expert advice in every branch of house construction and equipment. The design and architectural details are in the hands of registered architects. All these services are the functions of the construction company who accept all responsibility and guarantee the house in all its particulars.

Nor are you restricted to any particular style in design and finish. To whatever way your taste inclines this new construction will give you the permanency and safety you have always sought. Simply tell us what accommodation you want, the design and finish and let us give you sketches and prices without any obligation on your part.

The New Principles of Construction in Pigott Built Homes

1. The whole structural frame, in its vertical and horizontal members for walls, floors and roof is structural steel.
2. Fireproof construction. Steel, concrete, tile and gypsum replacing wood and other combustibles. A modern development in public buildings now incorporated in your home to safeguard your most precious possessions.
3. Temperature and atmospheric control. Perfected combustion and automatic control of heat which involves as a necessity—insulation. A three inch cork wall completely envelops the steel frame inside the stucco, brick or stone wall as selected. The air-conditioning system includes a heating unit, complete thermostatic control, moisture control,—all thru concealed ducts.

MATERIALS FOR CONSTRUCTION AND EQUIPMENT FROM

Sarnia Bridge Co. Limited	Steel
Gypsum Lime and Alabastine Co. Limited	Tri-Seal
Canada Cement Co. Limited	Cement
Canada Wire and Cable Co. Limited	Streamline Fittings, Copper Pipe and Electrical Wire
Canadian General Electric Co. Limited	Electric Range, Refrigerator and Planned Kitchen
Dominion Oilcloth and Linoleum Co. Limited	Linoleum
The International Nickel Co. of Can. Limited	Monel Metal Kitchen Sink and All Working Surfaces
Armstrong Cork and Insulation Co. Limited	Cork Insulation
Lennox Furnace Co. of Canada Limited	Air Conditioning
Pilkington Bros. Limited	Glass and Vitrolite
W. J. Westaway Co. Limited	Water Softener
Geo. H. Hees Son & Co. Limited	Venetian Blinds
Richards-Wilcox Canadian Co. Limited	Overhead Garage Door
Frost Steel and Wire Co. Limited	Steeltex, Electric Welded Stucco Lath

For further details and information write:

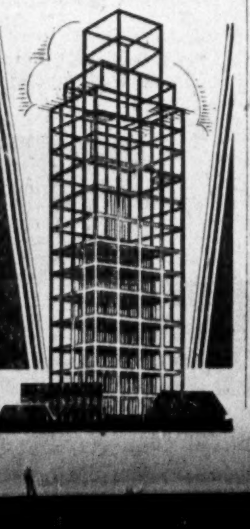
PIGOTT CONSTRUCTION CO. LIMITED., PIGOTT BUILDING, HAMILTON, ONT.

Structural STEEL

FOR OFFICE, FACTORY and MILL BUILDINGS, RAILWAY and HIGHWAY BRIDGES

HOPPERS, BINS, TANKS, PIPE WELDED OR RIVETTED CONVEYOR BRIDGES and TOWERS ETC.

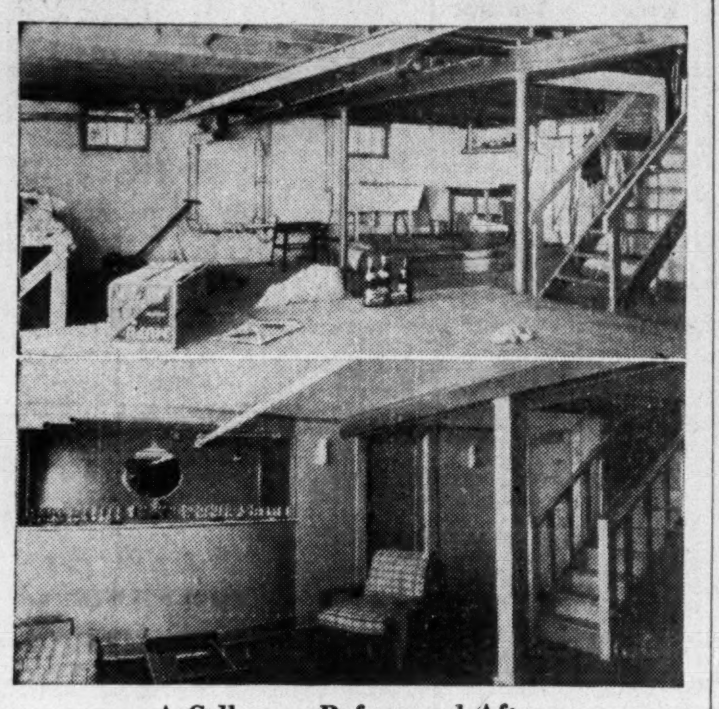
Plain Structural Shapes and Plates from Stock



HAMILTON BRIDGE COMPANY LIMITED HAMILTON CANADA

"Down Cellar"

Lowly Basements Become Bar Rooms or Boudoirs—Attics Blossom as Bedrooms



A Cellar — Before and After

Upper picture shows the usual house cellar, a place for old bottles, laundry tubs, the lawn-mower and other odds and ends. Below is the same cellar after its transformation into a recreation room, complete with semi-circular bar, lounge, wall and ceiling lights, and pillared supports. The stairway is completely altered and doorways lead into furnace room and laundry.

Cellars were once merely convenient places to throw empty bottles, old shoes and clothing, and other cast-off articles destined for the junk man.

Transformed, they have become swank bar-rooms, table-tennis courts, card-rooms and, if the present trend continues, they may eventually develop into lace-curtained boudoirs.

The lowly cellar is coming into its own at last. At one time only a few houses in Canada could boast of cellar "recreation rooms," oak panelled, expensively equipped affairs.

Like anything else once available only to the wealthy—automobiles electric refrigeration, air conditioning and other home comforts—the cellar of even the low-priced home can now be made a useful and pleasant part of the living quarters at reasonably low cost.

Builders, fighting for new business during a depression period, have seen to that, and they have achieved remarkable results with the development of new materials and new methods of home modernization.

Much of the effort has been made by leading builders' supply companies with branches in Canada and the United States. Engineers and designers have so altered the character of the basement in all types of houses, that the new cellar rooms are now on a par with the kitchen and bathroom so far as cleanliness, ventilation, and temperature control are concerned.

Basement Drawing Rooms

As photographs on this page reveal, the new type of cellar living room can vie with a drawing room in color, design and utility.

Insulating board is a favorite wall and ceiling material for use in transforming the cellar, and the joints where sheets of this material are used on walls and ceilings can be covered with metal strips, bevels, battens, or butted joints, adding materially to the decorative effect. Lighting fixtures of modernistic design are favorites.

Ceilings are treated in various ways, giving the effect of beams or other designs, while asphalt tile of exceptional durability is favored for the floor, which, however, can be covered with any number of hard-wearing materials decorated with unusual color designs.

Furnace in Own Room

Usually the furnace is relegated to its own small furnace room, entry to which is made through a door which is the counterpart of those in upper storeys of the house. The "furnace room" is, of course, merely another partition.

Since materials for conversion of cellars into recreation rooms have been developed with a view to appearance rather than the heavier construction of the upstairs living quarters, costs of modernizing the basement are considerably below those necessary for ordinary house modernization.

Attics Too

Attics, too, are rising from the old status of dusty "trunk rooms" and storage spaces, to livable and pleasant rooms with complete utility. The method of transforming these differs considerably from the basement since the purpose of modernizing the attic is usually to provide additional bedroom accommodation.

But the results of attic transformation are as striking as those possible in the nether regions of the house.

If it is possible to stand in the centre of the attic and reach up without touching the ridge pole, and if it is possible to walk about three feet to each side of it without striking a rafter, the problem is solved. If this space is available it is possible to add one or more rooms to the sleeping quarters.

In the attic it is essential that complete insulation be obtained, and this consideration is even more important than in modernizing the cellar. Prior to placing wall fibre board, and ceiling panels, the attic is usually insulated with "bats" of rock wool, a mineral substance placed between the outside roof or wall and the internal wall surface.

This material effectively shuts out winter cold and summer heat, conserves the heat provided by the domestic heating plant, and renders the attic as weather-independent as the remainder of the house. The same material is used in attic floors and walls, whether or not the attic itself is to be used for living quarters, since it acts as a highly efficient insulating agent for the lower sections of the dwelling

Rock wool bats are fireproof, sanitary, and have the same insulating effect as a solid stone wall eleven feet thick.

Attic Floors

Floors in unused attics are normally rough tongue-and-grooved lumber, suitable for use, however, as a base for a sub-floor on which can be placed linoleum, or hard or soft wood flooring.

If the existing floor can be used, it is a saving in expense. Attic stairways can be transformed into attractive approaches to the additional living quarters, but if there is nothing but a ladder, the expense of stairway construction is small in comparison with the advantages obtained from the use of the attic in its new rôle.

Small Homes Sell in West

Winnipeg Rentals Significantly Higher After May 1

Demand is active in Winnipeg for small houses of from six to seven rooms each. Numbers of these homes are on the market, and as a result, no pronounced expansion in building of this type is likely this season.

Stores, apartment blocks and warehouse properties, they point out, are only returning to owners the taxes and operating costs. There are many with empty space. Apartments are fairly well occupied, but rents are unusually low compared with recent years.

Significant of the trend, is the announcement by one Winnipeg agency that small home rentals will be increased five per cent starting May 1. Meanwhile, homes are being offered for sale in Winnipeg at 60 per cent of what it would cost to replace them.

The Winnipeg area will not be devoid of new buildings of importance this year. New store and restaurant buildings, to cost $25,000 are among the projected new structures. A garage, at $40,000, spring, street and sidewalk maintenance, at $200,000, a new technical school at $60,000. and incompleted sewer works of $2 millions further swell the total.

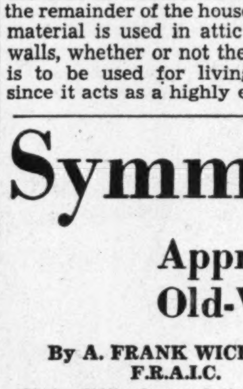
Building of a $300,000 vocational school, a subway, and the Canada Malting Company's elevator addition, will add a further $600,000 to the list of contemplated buildings.

Symmetrical Cities

Appropriate Design Is Secret of Beauty in Old-World Cities—Canada Lags Behind

By A. FRANK WICKSON,
F.R.A.I.C.

It is difficult to define pleasure but it is safe to say it probably results from the enjoyment derived from the activity of one or all of the senses.



A. F. WICKSON

Through the eye, delight in the beauty of nature with all its various phases — its coloring, irregularity in form and its ever changing character —is achieved.

Through the eye one sees the result of the work of man which takes on a very different complexion from that of nature and generally a very opposite one, since symmetry and a certain formality are in evidence in his works. In few things is this more noticeable than in the semblance of buildings. The design of these is inevitably influenced by their construction, which compels a certain preciseness not observable in nature.

While differing from nature in its character there is no reason why man's work should not also be beautiful.

Paris has attracted vast numbers of visitors, not alone for it gaiety, but because as a city it is extraordinarily beautiful. Much of which beauty is due to the public control exercised over the design and arrangement of its buildings. No one who has passed along Rue de Rivoli, has not enjoyed a sensation of pleasure in the rhythm so palpably displayed in the ideas embodied in the street fronts. Again, no one who has traversed the rebuilt Regent Street in London has not been tremendously impressed with the result, which imparts dignity from the continuity and harmony involved in the design of the buildings.

In contrast is one of Canada's largest cities, with its conglomeration of old business buildings, and occasional new ones interspersed, only emphasizing the dreariness of the balance. It is true many new shop fronts have replaced old ones, each one striving to out-rival its neighbors in garishness. That, however, does not make for an attractive city.

In Toronto there is an oasis in these conditions where the T. Eaton Company in its College Street store, has achieved a remarkable result by the rhythm of both its Yonge Street and the College Street fronts.

If, however, instead of being one store with all this frontage, there were ten or fifteen, the resulting effect would be practically the same. The point is that if street blocks were designed as a whole, the appearance of the city is enhanced. In addition, the distinction imparted to the individual building, derived from being part of an attractive whole is well worth while.

An interesting corollary is that in the block adjoining the Eaton store are buildings conforming in spirit to it. By reason of design and materials and the absence of overhanging signs, there has been created a desirable neighborhood.

The method of having complete street blocks designed as a unit is feasible where much land is leasehold and large areas are in control of one owner. It is perhaps premature to hope for individual concessions on the part of a number of owners, for the execution of such an ideal scheme, but approximately similar results may be obtained by individual owners giving consideration to the adjacent structures and to the aspect as a whole.

There is obviously too much individualism not only in the business districts of many Canadian cities but also in the residential centres where anything approaching appropriate style is thrown to the winds.

Wecker New Official Of McKinnon Industries

W. A. Wecker has been appointed vice-president and assistant general manager of McKinnon Industries and will take over some of the duties of H. J. Carmichael, newly appointed general manager of General Motors of Canada. Mr. Wecker has been president and general manager of the Hayes Wheel Co. of Canada, and is a director of the Kelsey Wheel Co. and the Canadian General Rubber Co.

Government Fiscal Policies Blamed for Lack of Building

With national income increasing, the mortgage problem somewhat clarified, prevailing interest rates in many cases reduced, building costs stationary, and a tremendous need for new housing, conditions in the United States may be said to be approaching to some extent those which were responsible for the building boom in Great Britain.

In the discussion of British housing in the February Index, of The New York Trust Co., it was stated that a primary cause for the boom in England had been the establishment of public confidence in the fiscal policies of the British government.

These, it is held, "have been conservative in respect to balancing the national budget, refusing to engage in non-productive works upon a vast scale, maintaining steady or falling tax rates, and fostering private enterprise as opposed to the entry of government into various lines of endeavor."

In the United States and Canada federal governments have followed policies almost exactly the opposite of those pursued by the British Government on many of these points.

While the need for new housing has now become so great that some measure of recovery in residential construction from the low levels of recent years is virtually inevitable, it would appear that further progress is subject to the possible limitations of these barriers to full public confidence in the U. S. government's fiscal programme, the New York Trust Co. adds.

Stability of the currency, an end to extravagant governmental expenditures, a balanced budget, stabilized taxes, and assurance against undue government interference with private business are prerequisites to that increase in residential building needed to give a full measure of stimulation to industry and the utmost benefit to all the people.

Venetian Blinds in the Bedroom

Complete control of light is obtained in this modern bedroom through the use of Venetian blinds, an increasingly popular form of window treatment. Drafts are eliminated, and all degrees of light may be obtained through cord control.

EVERYTHING ELECTRICAL
for the Construction Industry

LIGHTING
Magnalux
Luminaires
NOFUZ
Panelboards
MOTORS and
CONTROL
ARC WELDERS
and Electrodes
REFRIGERATORS
RANGES

CANADIAN WESTINGHOUSE COMPANY, LIMITED
HAMILTON, ONTARIO

Branch Offices: Vancouver, Calgary, Edmonton, Regina, Winnipeg, Fort William, Toronto, Montreal, Halifax. Service and Repair Shops: Vancouver, Calgary, Regina, Winnipeg, Toronto, Montreal.

Westinghouse

Refuses Power And Reduces Load

Ontario Hydro's Policy of Load Reduction Exemplified

In answer to a question in the legislature the Ontario Government reports the following dates of refusal of power from Quebec:

June 5, 1935, 27,000 h.p. due from MacLaren Quebec Power Co. on July 1, 1935;

Sept. 21, 1935, 6,000 h.p. due from Gatineau Power Co. on Oct. 1, 1935; 67,000 h.p. due from Beauharnois Oct. 1, 1935;

Oct. 21, 1935, 96,000 h.p. from Ottawa Valley Power Co.; 26,500 h.p. from MacLaren Quebec; 129,000 h.p. from Beauharnois;

Oct. 22, 1935, 13,500 h.p. from MacLaren Quebec Power Co.

In answer to a question by Ex-premier Henry, it was stated that in January, 1935, the total 20 minute peak of the Niagara System, including export power and power used for steam production, was 1,315,951 h.p., including 1,261,796 25-cycle power and 54,155 h.p. 60-cycle power. Load reductions were made on primary and secondary loads during November and December, 1935.

International Paints Modifies Preference Plan

From Our Own Correspondent

MONTREAL. — Following representations made by a number of preference shareholders, directors of International Paints (Canada) have decided to suggest several important modifications in the scheme of arrangement which is to be submitted at the special general meeting of shareholders.

Under the original scheme, one-third of the arrears of dividends on the present 7½ per cent cumulative preferred shares were to be wiped out, and the holders were to receive 5 per cent non-cumulative preferred shares in exchange for the old stock. By the suggested modifications, the 5 per cent dividend on the new preferred shares will be cumulative and the whole of the arrears of dividends on the present shares will remain as an obligation of the company. These will be payable by way of additional dividends on the new preferred shares when earned. When such arrears have been paid off in full, the accumulated dividend on the new preferred shares will increase from 5 per cent to 6 per cent per annum.

Wanted—Buyers For One Railway

From Our Own Correspondent

VANCOUVER.—Nearly $80,000,000 has been spent by British Columbia on the Pacific Great Eastern Railway, started 23 years ago to open up the interior.

How the government was obliged to take the road over from the contractors after construction was barely under way and how succeeding provincial governments found it impossible to finance completion of the road is an old and bitterly remembered story. In recent years the railroad has been able to show an operating profit due to the revival of the Cariboo gold field, new activity in the Bridge River district and the gradual development of freight, but politicians despair of the prospect of putting the road on a definitely paying basis. If the province could sell out to private interests on a reasonable basis it would leap to the chance.

It cost British Columbia $2,395,535 a year to carry the railway debt, as at March 31 last.

Fanner Manufacturing Co. Cleveland, Ohio, is opening a branch factory in Hamilton, to make awning hardware and foundry supplies. (Hamilton Herald)

Geo. McLean Co., Ltd., is opening a warehouse in Fort Frances, Ont., for the distribution of flour, sugar, salt, etc., for the entire district. (Fort Frances Times)

Brebner Elected Director At Fraser Co.'s Meeting

From Our Own Correspondent

MONTREAL. — A. W. Brebner, Campbellton, general manager of the Restigouche Co., has been added to the Fraser Companies directorate. Other directors were re-elected at the annual meeting.

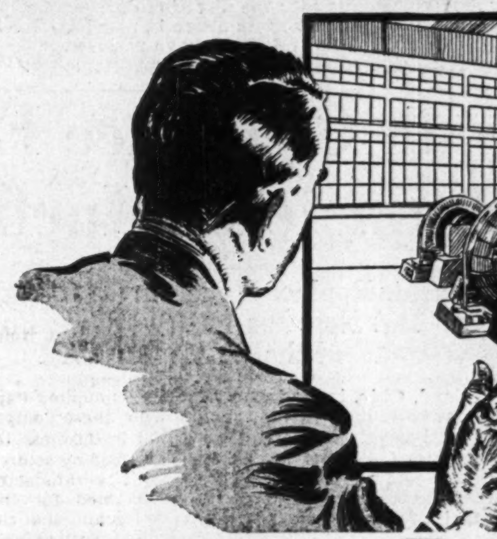
Beauharnois Power Seeks Wider Rights

From Our Own Correspondent

MONTREAL.—Beauharnois Light, Heat and Power Co. has applied for supplementary letters for authority to sell and distribute electricity in any direction within a radius of 60 miles from the town of Beauharnois.

Considerable interest is evinced in this amendment, as under the terms of the power contract between the company and Montreal Light, Heat and Power Consolidated, Beauharnois is prohibited from marketing power within a radius of 30 miles from the centre of Montreal.

BOILERS
MACHINE WORK
SPECIAL JOBS
THE
JOHN INGLIS CO. LIMITED
TORONTO
MONTREAL



Within your Immediate Grasp!

A tremendous volume of sales of equipment and machinery for plant modernization and renovation is indicated for 1936. The facilities offered through I.A.C. will enable you to penetrate this long overdue market.

I.A.C. is a medium of credit-financing with plans to cover 50 different types of equipment. May we discuss with you your particular problem?

INDUSTRIAL ACCEPTANCE CORPORATION
LIMITED

HALIFAX
SAINT JOHN
QUEBEC

MONTREAL
OTTAWA
KINGSTON

TORONTO
HAMILTON
CHATHAM

WINDSOR
LONDON
SUDBURY

WINNIPEG
REGINA
SASKATOON

CALGARY
EDMONTON
VANCOUVER

A NATIONAL SERVICE - A CANADIAN COMPANY

WHEN
Mrs. Modern
PLANS HER KITCHEN

● HER FIRST STEP IS TO REPLACE HER OLD RANGE WITH A MODERN GAS RANGE

Her old-fashioned range made her kitchen so drab and unattractive she was ashamed to have her friends see it. Worst of all, it was so unhandy and inefficient it kept her tied down so close cooking she had little time for anything else.

Then she read about Magic Chef and its many advanced features. She went down to see it and fell in love with it. It was just what she needed to start making her kitchen modern and attractive. She realized, too, how it would simplify the task of preparing meals and leave her more time for home-making, self-improvement and recreation.

She bought it and now every day she finds new delight in her Magic Chef gas range. It cooks and bakes like magic with a speed, convenience and certainty that makes her wonder how she ever got along with her old range.

Her Magic Chef lights itself — she just turns on the gas. The Red Wheel Lorain Oven Regulator holds the exact oven temperature she wants and cooks a whole meal unattended while she is away shopping or visiting. Now she has more leisure.

These are only a few of the advantages of the modern gas range. Your gas company will appreciate a visit to one of their stores, where their sales people will demonstrate the different models. You will be under no obligation.

THE CONSUMERS' GAS COMPANY

55 ADELAIDE ST. E. 2532 YONGE ST. 732 DANFORTH AVE.

Hearst and Newsprint Prices

Profits for Major Canadian Industry Largely Hinge on Coming Dicker With United States Publisher—1935 Purchases in Canada 460,000 Tons

From Our Own Correspondent

MONTREAL.—William Randolph Hearst's newsprint buying organization enters the markets this fall with 250,000 tons of free tonnage. The hope for the manufacturers for a better price for their product during 1937 and the succeeding year will depend on their ability to withstand, individually and collectively, the bargaining power of America's largest publisher.

During the past 24 months the demand for newsprint paper has increased at a relatively rapid rate. Output last year was the highest ever reported by the Canadian industry. The buyers' market has been slowly giving way to a sellers' market. And hopes have run high that the manufacturers were close to the point where they could enforce a better price for their product.

In line with the apparent improvement in the position of the industry, newsprint security values have been bid up to the highest level in several years. The better price for stocks and bonds can be justified in large part, but many, if not all, have partially discounted the certainty of a higher price for newsprint in 1937.

Hearst Casts Shadow

Across the brighter horizon for the newsprint industry rises the shadow of Hearst. By subtle propaganda his agents are accused of keeping the industry in a whirl. The manufacturers are afraid of his bargaining power. By his contracts he can make a company. Likewise by his withdrawal of business he can seriously cripple a manufacturer. The price at which he secures his paper sets the price for the balance of the market. Accordingly Hearst is a power in the newsprint industry—a power that must be reckoned on at all times.

The Hearst newspapers buy newsprint through a centralized purchasing organization. In 1935 they bought approximately 625,000 tons and consumed probably a little more than this, since they had accumulated large inventory at the end of 1934. The Hearst purchases from the Canadian industry in 1935 were about 460,000 tons. Hearst thus constituted 20 per cent of the total U. S. consumption last year, and over 20 per cent of total Canadian sales in the domestic market (U. S. and Canada) in 1934 and 1935.

A Disturbing Factor

Such purchasing power in the hands of one buyer, dealing with a distressed industry and pursuing a low price objective, is bound to be a disturbing factor at any time and the record of the industry fully proves it.

In the 1936-1937 outlook this mass-buying power becomes particularly and acutely dangerous because of large Hearst contracts which expire at the end of 1936.

Can Influence Market

In recent years, nearly all the Hearst tonnage has been under long-term contracts and his amounts of new purchasing each year have been relatively small. Even these small amounts, however, have been used with disturbing effect. For example, the St. Lawrence episode involving only 20,000 tons of Hearst business prevented a price increase in 1935. And the Price Bros. episode involving some 60,000 tons came close to breaking the market.

Dominates This Year

But at the end of this year large Hearst contracts with several Canadian companies expire and it is estimated that Hearst will be in the market for 1937 purchases totalling 220,000 to 250,000 tons.

Not since 1928 has Hearst had so large a block of uncontracted tonnage. In 1928 the industry was operating nearly at capacity, but in spite of that the large block of Hearst tonnage broke up the Canadian Newsprint Co. and marked the first step toward disintegration. In 1936-1937 the large amounts of excess capacity and the conditions of companies in receivership make Hearst tonnage far more dangerous.

Sources of Supply

Hearst's chief sources of Canadian supply at the moment are as follows:

Anglo-Canadian.
Brompton,
International.
Consolidated.
Lake St. John.
St. Lawrence.

All of these companies have Hearst tonnage expiring in 1936 except Anglo-Canadian and Lake St. John. The Brompton contract expires midway through the year and that company has at present no other business. Even more dangerous, from the standpoint of the whole industry, are the much larger contracts with International and Consolidated since both of these companies are in the price-fixing class. The expiring St. Lawrence tonnage, although smaller in amount, is also dangerous because St. Lawrence comes in the same category as a price-fixing unit.

Can Disrupt Industry

There are several obvious ways in which Heart's 220,000 to 250,000 tons of 1937 purchasing power can be used to disrupt the industry. Here are some simple examples:

To either Canadian International Paper or Consolidated Paper, Hearst can threaten them with the loss of tonnage—50,000 to 100,000 tons—if they do not fix the price of newsprint for 1937 or even longer and on a basis satisfactory to him.

Contract Holders in Dilemma

Serious as such a loss would be. especially to a short company like Consolidated Paper, it is conceivable that these companies might deem it good business to sacrifice the tonnage if by so doing they felt assured that a satisfactory price would be obtained for their remaining tonnage and that they might benefit in total dollars and stable conditions. But if they felt, as they probably would, that the tonnage they relinquished would at once be used by Hearst as part of an inducement to another large company and that the price might thus be fixed on Hearst's terms anyway, the sacrifice would appear an act of folly.

If this pressure on Canadian International or Consolidated were not successful, Hearst might approach either Abitibi or Price Bros. He might, in fact, approach them first, for both of them are in receivership and open to reorganization proposals.

Make Tempting Offer

Hearst might make an offer to Abitibi to lease one or more mills in return for a block of tonnage, depending upon the receiver fixing the price at Hearst's own figure.

A similar proposal might be made to Price Bros.; perhaps lease or purchase the Riverbend mill and a contract which would permit the other Price Bros. mill at Kenogami to run full.

Either of these transactions could be carried out quite comfortably with 200,000 tons and Hearst will have well over that amount to play with.

Decision is Difficult

It would be difficult for either the receiver for Abitibi or the trustee for Price Bros. to reject such an offer. As in the cases of Canadian International and Consolidated, the directors might feel justified in rejection if they felt sure that Hearst offers would also be refused by other companies. But if they feared that his rejection of the offer might be followed by acceptance on the part of another company, with the result that they would lose the tonnage opportunity and secure no price improvement and no better conditions anyway, the refusal might seem unwise or at least inexpedient.

Acceptance of a Hearst offer such as described would, of course, preclude any price improvement in 1937 and perhaps for longer unless the Hearst organization changed its policy.

Scramble for Tonnage

To this must be added the possibility of a general scramble for tonnage if Abitibi or Price Bros. accepted an offer and took Hearst tonnage from Canadian International and Consolidated, thus driving them into the market to replace their losses. In such a scramble the price might go lower; certainly there would be no chance of stable conditions.

Danger is Acute

No sensible management would accept an offer of the type described if it seemed safe to refuse it. The real danger is one company's fear of another; or the belief by one bondholders' committee that it can outsmart another and let the rest of the industry worry. As long as Hearst is able to play one company against another, the danger is acute; the most dangerous set of circumstances the industry has faced throughout the depression years.

Hearst Seizes Opportunity

Naturally Hearst cannot be blamed if he takes advantage of the present situation. Newsprint costs are an important item of expense in his business. If he can secure his paper at a shade less cost than his competitors, or can renew his contracts on a favorable basis, then he would be foolish not to drive a hard bargain.

It might be said that if Hearst looks at the long term he should be willing to make concessions now and permit the manufacturers to charge a more reasonable price in the hope that the producers will maintain a consistent price policy when they have a sellers' market. This view does not find favor with the larger American publishers. Their attitude is that they will pay what they have to, and not one cent more. If the manufacturers secure control of the market and raise the price to $50, $60, or even $70 a ton, they will pay it, but meanwhile they are going to take every advantage of the present situation.

What defense have the Canadian manufacturers against such organized and concentrated buying power as is in the hands of Hearst? There are two defenses: (a) co-operative defense from within the industry itself; and (b) governmental control of the industry to prevent a manufacturer from making contracts which are contrary to the welfare of the industry and the country.

Voluntary Efforts Temporary

The first defense is at best an uncertain one. Efforts for or by the industry during the past 18 months have been on this basis. Such co-operation has served to prevent disruption of the market on two and perhaps three occasions during 1934 and 1935, and is the basis of what stability the industry possesses at present. Its success, however, has been largely negative. Voluntary co-operation is regarded as offering no hope whatever of permanent remedy.

Distrust still exists among the operators and with conditions as outlined it is expecting much that they, as a group, will be able to withstand the tremendous pressure that Hearst can bring to bear on the market this fall.

The other defense, namely, governmental control, is one which does not find favor within the industry, but which may have to be undertaken. This can take two forms, a paternal policing of the industry through legislative control of timber limits and woods operations, or voluntary use of the Natural Products Marketing Act giving the industry powers of self regulation. The latter finds little favor and the Act itself has not received Supreme Court approval.

Opinion is swinging around to the belief that the governments of Ontario and Quebec will co-operate in policing the industry. Quebec already has enacted legislation giving it control over the industry within its borders. Ontario has no such legislation. But it is significant that Hon. Peter Heenan, Minister of Lands for Ontario, has been in frequent consultation with the Quebec authorities. It is expected that sometime during the present session of the Ontario House legislation will be enacted giving the Ontario Government the same degree of control now held by Quebec.

With such legislation in force the two governments could prevent any company in Ontario or Quebec from fulfilling a contract with Hearst or any other publisher, if such a contract were not in the interests of the industry.

Trouble Ahead of Industry

From the foregoing it will be seen that Hearst's chances of securing his own terms in the placement of 220,000 to 250,000 tons of free tonnage this fall are such as to give rise to an element of doubt as to the ability of the industry to stand together and secure a higher price for deliveries in 1937. The industry has been able to recover a great deal of lost ground since the beginning of 1934, but its troubles are still before it and not behind.

International Paper Co. Sales Show Gain Last Year

From Our Own Correspondent

MONTREAL.—Pulp and paper sales of International Paper Co. are unofficially estimated at approximately 1.6 million tons for 1935. Sales reached the low point of the depression in 1932, when they totalled 1,321,464 tons of paper and pulp. the lowest since 1928. Since that time, each year has shown an increase to a new high.

Another Gain Recorded In Newsprint Industry

Longer February and Higher Stocks Boost Monthly Figures

STORE AT LAKE PORTS

From Our Own Correspondent

MONTREAL.—Newsprint production in Canada during February recorded another substantial gain, but the improvement is largely offset by an increase in stocks on hand. During the month 221,569 tons of paper were manufactured while shipments totalled 206,076 tons. This is in contrast with an output of 180,305 tons and shipments of 160,859 tons for the same month a year ago. In comparing these figures, the point should be kept in mind that February of this year has an additional working day.

Accumulated at Lake Ports

Stocks of newsprint paper at Canadian mills at the end of February totalled 92,082 tons, as against 71,364 tons on the same date last year. Considerable tonnage was accumulated at points from which water shipments will be made upon the opening of navigation. Deducting the increase in stocks on hand, and allowing for the longer working month, the gain in production and shipments for February this year is along anticipated lines.

For the first two months of the current year Canadian mills produced 67,260 tons more than for the same period in 1935 an increase of 17.60 per cent.

Production in the United States during February was 72,852 tons and shipments 70,495 tons, as compared with 70,805 and 69,478 tons, respectively, for the same month a year ago.

The output in the United States for the first two months of this year was 711 tons or 5/10 of 1 per cent more than for the first two months of 1935.

Stocks of newsprint paper on hand at American mills at the close of February totalled 16,032 tons, a decline of 2,641 tons from that reported at the end of February, 1935.

Newfoundland Off

During the past month 24,047 tons of newsprint were made in Newfoundland, a slight decline from the figure reported in 1935. This was due in part to a breakdown of the power service at the Corner Brook mill of the International Paper and Power Co., of Newfoundland

The Mexican mill produced only 171 tons in February, a marked decline from the 1,743 tons reported for the same month a year ago.

For the first two months of 1936, Newfoundland manufactured 2,221 tons more than in 1935, while production in Mexico was 3,467 tons less.

The total North American production of newsprint in February was 318,039 tons, as against 277,231 tons for February, 1935.

Cumulative returns for North America this year to date show an output of 62,283 tons greater than a year ago, or a gain of 10.60 per cent.

B. C. Produces More Lumber

Lumber produced in British Columbia during 1935 to an amount of $56 millions was the largest total in five years, and an increase of more than 60 per cent over the low year of 1930. The total represented a gain of nearly $11½ millions over 1934.

The increase is due, however, to an increase in volume rather than in prices. No important change in prices took place, but total output of forest products increased 20 per cent. B. C.'s lumber production far exceeds the value of production of any of the other basic industries of the province.

Tariff Blow Is Softened

Canada Will Still Do Business With Cuba

From Our Own Correspondent

OTTAWA.—Approximately half of Canada's $1,600,000 export trade to Cuba will escape tariff penalties imposed by the president of the republic, according to information received by the Trade and Commerce department early this week.

The position of exporters was discussed, briefly, in the Commons last week and events since then have been reassuring so far as codfish is concerned.

The republic recently enacted a law empowering the president to deal severely with countries enjoying a large favorable trade balance against Cuba. The minimum tariff (applicable to Canada for many years) can continue only to such countries who buy at least 50 per cent as much as they sell to Cuba. If they buy less than 25 per cent they must meet Cuba's maximum tariff with their exports, and this is just twice as high as the minimum tariff. If they buy more than 25 per cent, but less than 50 per cent, they are charged a 25 per cent surtax above the minimum rates.

Canada, in depression years, has been selling Cuba upwards of $1,500,000, chiefly in potatoes, fish and flour, and buying approximately $1,000,000, largely in cane sugar. But much of the purchases come through New York and are not credited to Canada in Cuban trade statistics. Application of the new law, therefore, threatened to place Canada on the maximum tariff, gravely imperilling this export trade.

Representations are being made to the Cuban government, urging reconsideration of trade figures and pending the outcome of an enquiry, codfish has been exempted from tariff penalties. The potato trade, already reduced to seed potatoes, is not in further danger since seed potatoes are on the free list.

Oil Futures

Canadians Spend Millions in Royalty, Other Interests, Wise and Otherwise

Many thousands of Canadian investors have money in oil royalty interests of one kind or another.

Many of the oil royalty companies which sold shares in the 20's have gone out of existence or are no longer selling securities. The Ontario Securities Commission has issued regulations also which make the business of selling interests less lucrative than of yore but which give better protection to Ontario investors. The oil interest business has hitherto been principally in the wells of the southern states. It is, however, growing on the basis of Alberta oil and gas production.

Much Money Lost

A great deal of money has been lost in Canada in one way or another through oil royalties. Much of it would have been saved if Canadian purchasers had had an adequate idea of what they were doing. Many were dazzled by high dividend cheques and did not realize that in many cases those high returns would not return them in the end their full capital investment.

Many other Canadians have bought fractions of oil royalty interests direct, preferring to risk their money on the productivity of a specified property to spreading the risk over many interests as a company would do.

Regulated in Ontario

In recent years most Canadian money has been expended for certificates sold by a type of "investment trust" known as a royalty trust company. Royalty interests are deposited with a trust company behind the certificates issued by the company which sells the certificates, buys the royalty interests and resells to the trust. The best known of these sales companies in recent years has been Bonded Corp., which is now inducing owners of certificates to exchange for shares in the Hightower Oil & Refining Co., a producing and distributing company in Texas. The trust in other words is being liquidated.

There are a number of variations of oil interests offered the public. As it would be a help to investors to understand the whole process, The Financial Post here summarizes a part of an article in "The Annalist" of March 6, which gives full explanations.

The Royalty Interest

An oil driller believes that oil can be found in a certain district. He approaches a landowner in order to obtain the right of entering, surveying, drilling wells and producing oil, if possible.

The driller agrees to pay the landowner one-eighth of all the oil and gas produced, or its equivalent revenue. This one-eighth interest of the landowner is known as the landowner's royalty interest. In California, the royalty interest is usually one-fifth.

If the landowner sells his interest or a portion of it, the buyer is purchasing a non-producing undivided "landowner's oil and gas royalty interest."

If the owner holds on until oil is being produced, the interest is then known as a producing fractional undivided "landowner's oil and gas royalty interest." Often a broker or dealer buys the interest and subdivides it into fractional parts which he sells to the public. If the original tract were 80 acres and he divided the interest into 80 parts, each unit would represent one-80th of one-eighth royalty interest in the production of an 80-acre tract.

Sometimes that part is further subdivided. In the case of an 80-acre tract the one-80th part might be subdivided again into something like 40 parts. In the latter case, the public buyer would receive a unit showing he is entitled to one-40th of one-80th of one-eighth of the entire production, or one barrel in every 25,000 barrels produced by the entire tract in one month.

The driller bears all expenses of development and operation. The royalty owner gets the whole of the one-eighth interest.

The Working Interest

The driller's seven-eighths interest is known as the "working interest." The driller sometimes sells part of his working interest in order to get capital. The dealer or broker could buy from him one-fourth of his seven-eighths interest in exactly the same way as he buys a fractional interest from the royalty owner. The interest thus bought would be a "non-producing fractional undivided oil and gas working interest." One who buys part of such an interest would be a tenant in common with the driller and other unit holders. He would bear his proportionate share of all expenses.

The driller could sell a portion of his interest wherein the purchaser bears "only a part" of his proportionate share of the expenses. Such an interest is known as a "non-producing fractional undivided free working interest."

The ultimate unit sold to the public might in this case represent one-3,000th of one-quarter of seven-eighths working interest, or two barrels in every 25,000 barrels produced per month, or its equivalent revenue, "less expenses."

As soon as the tract is producing, the oil is metred and piped away under contract to oil companies. Payments are made monthly for the exact amounts that have been run, less certain taxes and the small deductions for sediment. In the case of royalty owners, and holders of working interests, payments are generally made directly to the holders who are registered on the books of the companies which purchased the oil.

The Royalty Trust

The royalty trust holds as assets royalty interests, working interests, over-riding royalties and oil payments. The "over-riding royalty" is a contract between driller and purchaser whereby the possible participation and the production or proceeds thereof is unlimited. "Oil payments" limit participation to a certain number of barrels of oil. The latter two contracts arise when the driller chooses to finance himself without forfeiting the exclusive rights of entry, development and operation. The driller in such cases meets all expenses out of his share of output.

Some trusts specifically limit themselves to holding only royalty interests, others to working interests, and others again hold all types of interest.

Non-producing interests of any type are a gamble. An oil strike is never certain to materialize. The odds are about 1 to 20, say Felix E. Larkin and Arthur Lesser, Jr., in "The Annalist." Oil is never a sure thing. Experts rarely agree on the surface and sub-surface geology of any one unproved area.

In the case of producing interests with a record of production, the buyer should consider the validity of the estimates of recoverable oil, proration, competence of the operators, and the problems of "hot oil." Oil recoverable under present-day methods is said to be about 20 per cent of the oil in the ground.

Marketability

Oil royalties have not been easily marketable. The issues are small and are held by a limited number of people. The lack of readily available information about specific interests has been a serious drawback. The dealer's selling commission is usually 20 to 25 per cent of the selling price. In Canada he is usually the only market and has all the information.

The Securities Exchange Commission of the United States requires the following statement to appear on the face of all offerings:

> "There is no recognized exchange through which royalties may be freely and expeditiously marketed. The value of any repurchase agreement depends upon the desire and the financial ability of the person making the agreement to carry it out."

For tax purposes the U. S. Internal Revenue Department permits 27½ per cent of the return to be deducted as depletion. The balance is taxable as income. When underwriting commissions, organization expenses and profits to promoters are deducted, the payments by the public generally are represented by about 50 to 60 per cent of actual tangible assets.

Knowing Where
— and How !

IN the tobacco industry progress is constant. Improvements in methods of crop raising, harvesting, curing, manufacturing, packaging and merchandising are continuously being introduced, the world over.

Scientists, inventors, chemists, are striving always on behalf of the tobacco industry toward newer, better things, that a still greater smoke satisfaction may be yours.

This is as it should be. The manufacture of tobacco products ranks among the world's leading industries. We are proud to be engaged in it.

New ideas come from all parts of the globe. Some recent improvements have originated with the Imperial Tobacco Company. Others we have adopted, co-operating with manufacturers abroad, for your benefit.

Our experts are on instant call for special service anywhere. To-day one of our mechanical engineers may be embarking for England to investigate a new packaging device. Next week may find one of our leaf experts hurrying off to the Orient to take notes on a revolutionary discovery in soil treatment, valuable to Canadian growers. It sounds exciting, but to the experienced, travel-wise members of our staff, it is all in the day's work.

While we are naturally proud of the contributions we make toward progress in the tobacco industry, we are always receptive to new ideas from whatever source they may come.

We conduct these ceaseless researches, investigations and experiments believing that, as in all things, there is always room for improvement.

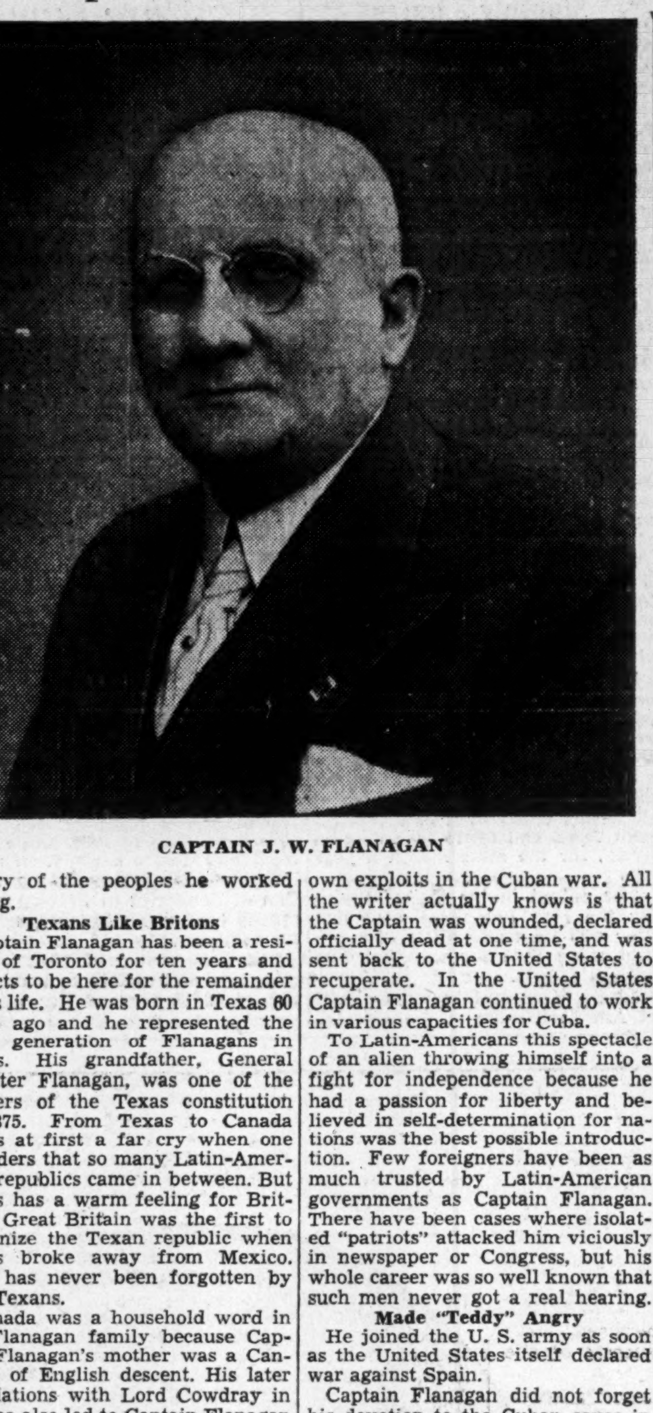
Imperial Tobacco Company of Canada, Limited.
— Cigarette and tobacco factory, Montreal.

IMPERIAL TOBACCO COMPANY OF CANADA, LIMITED

Meet Captain J. W. Flanagan

New International Pete Director Fought for Cuban Independence—Friend of Popes and Presidents—A "Texas" Torontonian

By WELLINGTON JEFFERS



CAPTAIN J. W. FLANAGAN

A bewildering variety of presentation swords, canes, watches, rifles and addresses tells the story of the active and adventurous life of Captain J. W. Flanagan, new director of International Petroleum Co. and president of Andian National Corp. Ltd.

Presidents of several Latin-American republics have given him their confidence. In his Toronto office hang the photographs of the last three Popes sent to "their friend," and he was knighted by the present Pope in 1926. He has been an intimate of many of the most outstanding men in transportation, industry, finance and politics for four decades. His friends and acquaintances are spread all over the world but all his financial interests are in the two Americas.

Colonel is Called "Captain"

Mr. Flanagan is "Captain" to all who know him. He really rose to the rank of Colonel when as a young man he fought for 18 months in the Cuban war of independence under the army of General Maxim Gomez. He was a Captain in the United States army during the war with Spain, but nearly all who know him in Canada, suppose the "Captain" refers back to his stirring days in Cuba. And so it is really a memento of that stirring time.

Captain Flanagan makes light of his campaign in Cuba and denies stories that he fought in many revolutions in other Latin countries. That Cuban campaign is important, however, to an understanding of his later business success. He got into the Cuban conflict because he sympathized whole-heartedly with that nation's struggle for liberty and because he was a strong admirer of Tomas Estrada Palma, the first president of Cuba. Mr. Flanagan had met Palma while the latter was living in exile in the United States and the friendship started then was a lasting one.

Those who have been in the home of Captain Flanagan on Russell Hill Road, Toronto, are enthusiastic about his collections of arms, of silver and gold coins, of South American antiques, of beautiful specimens in silver workmanship, of jewellery created by South American artists and artisans, and of paintings. Mementoes of travels from countries as far apart as Turkey and Italy on the one side and Chili, South America, on the other are around his office or at his house. His tastes are cosmopolitan, and one can be sure that if he liked a sauce, or a condiment, or a fruit, or a soup in Chili, Colombia, Peru, Mexico or Cuba, he still has it on occasion in Toronto. They show also how deeply he delved into the life and the history of the peoples he worked among.

Texans Like Britons

Captain Flanagan has been a resident of Toronto for ten years and expects to be here for the remainder of his life. He was born in Texas 60 years ago and he represented the third generation of Flanagans in Texas. His grandfather, General Webster Flanagan, was one of the framers of the Texas constitution of 1875. From Texas to Canada seems at first a far cry when one considers that so many Latin-American republics came in between. But Texas has a warm feeling for Britons. Great Britain was the first to recognize the Texan republic when Texas broke away from Mexico. That has never been forgotten by real Texans.

Canada was a household word in the Flanagan family because Captain Flanagan's mother was a Canadian of English descent. His later associations with Lord Cowdray in Mexico also led to Captain Flanagan acquiring many friends in the British diplomatic service.

Once Declared Dead

One cannot "draw" Captain Flanagan for publicity purposes on his own exploits in the Cuban war. All the writer actually knows is that the Captain was wounded, declared officially dead at one time, and was sent back to the United States to recuperate. In the United States Captain Flanagan continued to work in various capacities for Cuba.

To Latin-Americans this spectacle of an alien throwing himself into a fight for independence because he had a passion for liberty and believed in self-determination for nations was the best possible introduction. Few foreigners have been as much trusted by Latin-American governments as Captain Flanagan. There have been cases where isolated "patriots" attacked him viciously in newspaper or Congress, but his whole career was so well known that such men never got a real hearing.

Made "Teddy" Angry

He joined the U. S. army as soon as the United States itself declared war against Spain.

Captain Flanagan did not forget his devotion to the Cuban cause in times of peace. When Spain was finally beaten, he went to Washington to protest against certain measures in Cuba which he considered high-handed. It is still authentic, but unofficial gossip around Washington that President "Teddy" Roosevelt so much objected to this on one occasion, that he broke out in a formidable bellow of rage with the words: "Captain Flanagan, are you a good American citizen, or not?"

The story goes that Captain Flanagan replied, "I am, Mr. President, but I am a humanitarian first."

Friend of Diaz

In Mexico as in Cuba Captain Flanagan was close to the president. Porfirio Diaz, the great president whose three decades of dictatorship, gave Mexico its longest period of advancing wealth and prosperity, admitted the young Texan to his confidence in a very high degree. Twice he chose Captain Flanagan to act for him as confidential emissary to President Taft at Washington. It was by no means the only experience of Captain Flanagan in being sent to his own country to arrange difficult and delicate matters for Latin-American countries. At different stages in his career it is known he has represented governments in an unofficial way in important negotiations. These services have always been given by the Captain at his own expense. He refused salaries or payments of any kind, preferring that they be regarded as friendly services.

The Captain has been by turns a railway man, a mining man and an oil man, whichever way opportunity beckoned. All these rôles necessitated a leading part in development of natural resources, and of trade and commerce.

How Andian Concession Gained

A sure way, the writer is told, to make Captain Flanagan indignant is to suggest that a great company wishing concessions in Latin-American countries has to buy its way by acts of wholesale bribery. He claims that this has never been true in his experience and that the only foreign interests or people who have been permanently successful in these countries have been those who have identified their own interests with those of the country where they operated.

The Financial Post asked Captain Flanagan if it had not been an expensive matter getting a large concession such as that of his company, the Andian National Corp., to transport crude petroleum a distance of 335 miles through a 10-inch pipe from Barranca-Bermeja to Cartagena Harbor, Colombia.

"It cost very little except time," replied Captain Flanagan. "It took three years to get that concession. It involved surveys of the route, exhaustive studies to show that it was the best way to solve the problems of getting interior oil to the seaboard and then the government had to be convinced. It went through because that pipe-line was of benefit to everybody concerned. It helped Tropical Oil Co. get its crude oil from the interior economically. It aided the government to get through its taxes a greater shares of revenue because production increased. And, of course, Andian National and those who put up the money for it to construct that pipe-line benefitted also.

"If you want to get an idea of the actual money and the risk involved in constructing that line along the Magdalena River you have only to get a book on Colombia and study the physical nature of the country covered. We completed it in August, 1926, and had loop lines to increase capacity by July, 1927. We have had to spend very large sums in Cartagena Harbor as well. We do not serve only Tropical Oil Co., but all the principally known petroleum areas in Colombia. It is an absolutely essential service to Colombia."

Three Great Men

"In all your career, Captain Flanagan," The Financial Post asked, "what men in charge of great enterprises on this continent, have most impressed you?"

The answer was immediate. "The three greatest men I have ever known are Sir Weetman Pearson, later Lord Cowdray, E. H. Harriman and Walter Teagle. They belong to three different epochs, but each of these stands out from all others of his time in genius and capacity to get great things done greatly."

It is a matter of history how Lord Cowdray's success in great irrigation, railway and harbor development enterprises in Mexico caused President Diaz to have a great admiration for him. Until President Diaz was deposed by Madero and the latter was in turn succeeded by Huerta, Lord Cowdray's influence was great.

"Lord Cowdray was the most farseeing man I have ever met," continued Capt. Flanagan. "He had his eye and his hand on every part of his great enterprises and a friendly consideration for all who worked for him. But every New Year he wrote a letter to his chief lieutenants. Each letter contained praise for the work done in the past year and a substantial cheque as bonus, or it contained a warning and no cheque. If the warning was not heeded by any man, someone else would get the letter next New Year's day."

Harriman's Bon Mots

Captain Flanagan's railway experience led him eventually into close touch with Mr. Harriman. Captain Flanagan had been General Traffic Manager in Cuba of the Southern Pacific Railway. This position came to him in 1903 and in a year he had become so active in Cuban commercial affairs that President Palma sent him as his personal representative and Cuban commissioner to the world's fair at St. Louis in 1904. In 1905 Captain Flanagan became general passenger agent of the Cotton Belt Railway. In 1908 he was connected with various gold mining enterprises in Mexico and then under Lord Cowdray's aegis he enlisted in the formation and development of the Aguila Oil Co. He also had a high position with the Mexican International R.R. at one time.

"Why do you rate Mr. Harriman so highly?" he was asked by The Financial Post.

"He had many of the same qualities I admired in Lord Cowdray. For sheer brain power and command in all essential details of the railway business he was unequalled. He knew all the executives in charge of important departments of his railways by their first names and his knowledge of them went far deeper than that. He expected a lot from them, of course.

"I remember at one conference of executives from all over the United States he said to one man, 'Sam, your line is doing well except that we do not seem to be getting our share of the business of A—— & Co. There is doubtless a good reason but I would like to know it.'

"Sam immediately went into profane details of what kind of skunk A—— was. Harriman listened for a few moments and then interrupted. 'Yes, yes, I know, but is there any reason why he shouldn't be the Southern Pacific's skunk.'

"Another man was fired by Harriman on account of a divorce, accompanied by a scandal which made the front pages of most of the United States dailies. The unemployed executive went to Harriman with a strong plea for reinstatement. 'I quite agree with you, Jim,' said Harriman. 'You are the best traffic man the Southern Pacific ever had or is ever likely to have. We hate to lose you. But you have committed the unforgivable sin. You have broken the eleventh commandment. You got caught.'"

A Fighter for Concord

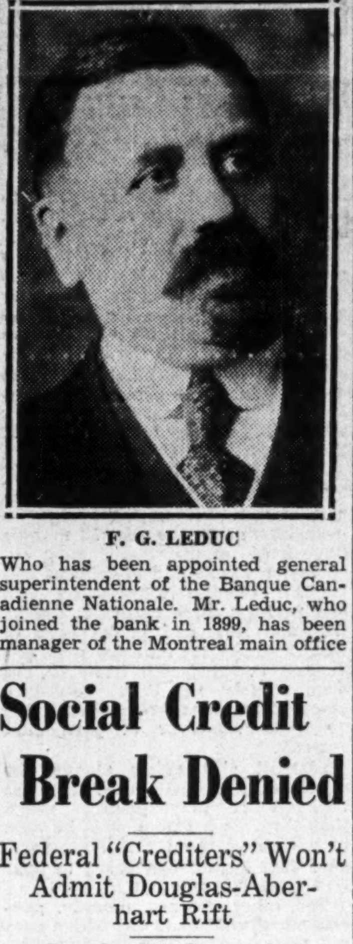
In all the troubled history of recent decades, it has happened repeatedly that Captain Flanagan has had to continue his work in the midst of revolution or rebellion. Asked for details, he responds, "I was never in real danger. I always went unarmed and everybody knew I did. I took no sides. Except in Cuba when I was in the army, my conviction has always been that the people of each nation must decide their own government. If they change their governments that is their affair and I accept it.

"I have always tried to do what was in the interests of the country as a whole in any enterprise I have been in and I think that, on the whole, all who have known me, whatever their politics, have believed that."

Among the many honors and distinctions accorded Captain Flanagan by the various governments and civic bodies with which he has had affiliations, The Imperial Oil Review just published cites the following: Medal of Military Merit of Cuba, the Cross of Boyaca in the military class, of Colombia, the medal of the City of Cartagena as the city's "Most favored son," Knight Commander of the Order of St. Gregory, the Order al Merito Bolivariano and "innumerable other testimonials of appreciation of services he has rendered countries and people."

Captain Flanagan's career shows that as a fighter he does not belie his Irish name. His chief successes, however, have been the results of a genius for friendship, of a strong desire to promote accord where he can and to build up trade, industry and consequently prosperity. He has not neglected his own business at any time. That has prospered, but he has been prodigal of his time and money whenever these would help forward general peace and prosperity in the countries where his chief interests lie.

General Superintendent



F. G. LEDUC

Who has been appointed general superintendent of the Banque Canadienne Nationale. Mr. Leduc, who joined the bank in 1899, has been manager of the Montreal main office

Social Credit Break Denied

Federal "Crediters" Won't Admit Douglas-Aberhart Rift

From Our Own Correspondent

OTTAWA.—Interest in the ever-widening rift between Major C. H. Douglas, founder of Social Credit, and Premier Aberhart, head of the Social Credit government in Alberta, continues unabated on Parliament Hill.

The report, published in The Financial Post last week, to the effect that the Federal Social Credit members would support Douglas rather than Aberhart, if they were compelled by circumstances to make a decision, has been challenged by E. G. Hanselle, the secretary of the Social Credit Group in Parliament. Mr. Hanselle said: "Social Credit members of Parliament absolutely repudiate your article."

Hope They Make Up

The Federal Social Crediters have not yet admitted the break between Mr. Douglas and his first successful pupil, Premier Aberhart. The report last week was that the Ottawa group would back Douglas, if a showdown became inescapable. It was also pointed out that hopes were being cherished that Mr. Aberhart would yet see the "error" of his present policy of orthodox budget balancing and return to the true faith. In this event, no choice would devolve upon the Ottawa contingent.

Draw Far Apart

The week's interchanges between Mr. Douglas at London and Mr. Aberhart in Alberta, however, are not promising. From the Social Credit viewpoint, Mr. Douglas summed things up March 14, when he cabled Mr. Aberhart that the Aberhart budget "strengthens the grip of financial institutions on the province," and that the Aberhart government is "pursuing under a misconception the policy of capitulation to orthodox finance under the label of Social Credit."

Economic Trust Profits Higher

Company to Pay 62½ Cent Dividend on April 1

Indicative of the marked improvement in earnings of Economic Investment Trust Ltd. during the fiscal year which ends March 31, is the declaration by the company of a dividend of 62½ cents a share, payable April 1 to shareholders of record March 20. This brings total payments for the year to 87½ cents a share as against 62½ cents in the preceding year.

Earnings for the year, The Financial Post is informed, will amount to over 90 cents a share. In the year ended March 31, 1935, profits were equivalent to 75 cents a share. There has also been substantial appreciation in the value of the company's investment portfolio.

To Reduce Par Value

A special meeting of shareholders has been called for March 20 to consider a reduction in the par value of the company's capital stock from $50 to $25 a share. Directors deem it advisable that the capital stock be reduced in value so that there will be a fund against which losses on realizations may be charged.

A minor change in the charter regulations of the company's investment policy is also proposed.

New Products

Tobacco Pouch—Seal-O-Sac (Canada) Ltd., in conjunction with Canadian Industries Ltd., has perfected a new moisture proof sealable pouch for tobacco.

Vapor Lamp—Canadian Westinghouse Co. Ltd. announces a new 250 watt high intensity mercury vapor lamp with an efficiency of about 30 lumens per watt and produces 7,500 lumens of light of distinctive color for an average life of 200 hours. It is susceptible to drafts and must therefore be operated in enclosing globes to assure maximum output of light.

No Jobless Horse Lake Athabaska

If you are a horse and are looking for an area where your services will be at a premium, you might try the new Lake Athabaska mining area.

In this Northern Saskatchewan area, there is no equine unemployment problem, for, despite the fact that there is plenty of work, only two nags have been successful in finding their way to the district as yet.

One of these horses, "Tony," is reputed to have "earned" the munificent sum of $20 per day by the simple process of getting $5 per cord for delivery of wood.

Brompton

Asks Parent Firm for Approval to Write Off Values

From Our Own Correspondent

MONTREAL.—Brompton Pulp & Paper Co. has notified its shareholders that a special general meeting will be held shortly to vote approval of a plan whereby the capital assets will be written down from $21.5 millions to $10.7 millions.

The meeting should be one of those routine affairs, as of the 300,000 shares of common stock outstanding, over 297,000 are held by St. Lawrence Corp.

The book value of the capital stock will be written down from just over $15 millions to $7.5 millions; depreciation and depletion reserves from $5.2 millions to under $2 millions; and the capital surplus arising from consolidation from $358,650 to $258,651.

The $10.7 millions thus brought together will be used to write down timber limits from $7 millions to $2 millions; buildings from $2.9 millions to $1.8 millions; machinery from $8.2 millions to $4.5 millions; and the deficit in the profit and loss account of $1 million to a surplus of $75,574.

'34 Shipping Law To Be Proclaimed

Federal Government to Revive Bennett Statute

From Our Own Correspondent

OTTAWA.—With the approach of the opening of navigation, the government intends, it is believed, to proclaim the Canada Shipping Act, passed in the 1934 session of parliament.

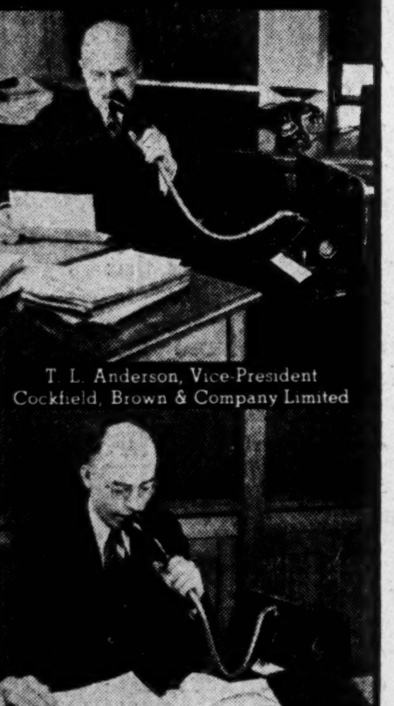
This statute governs shipping in inland and coastal waters and on the high seas. It was enacted after the British Merchant Shipping Act was repealed and the Dominion, in consequence, received a much greater field of jurisdiction. With the proclamation of the statute the "coastal laws" section will come into operation, affecting transshipment of wheat at Buffalo. It was always understood the Bennett government did not proclaim the statute because of representations made by its prairie supporters against the coastal law section. The intention of the government, with much larger representation from the Prairie Provinces, to proclaim it has occasioned surprise.

International Pete Output Is Below 1935 Average

International Petroleum Company's total crude production during February amounted to 1,126,800 barrels in Peru and 1,475,403 barrels in Columbia. This is a total of 2.6 million barrels for its South American production.

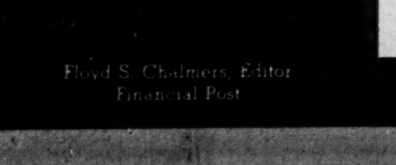
For the year 1936 to the end of February, the production amounted to 2.3 million barrels in Peru and 3.1 million barrels in Colombia.

This compares with an average of 1,228,910 barrels in Peru for each month of 1935, and 1,466,471 barrels per month for Colombia in 1935. The average monthly production for 1935 in both countries was 2,795,381 barrels.



T. L. Anderson, Vice-President
Cockfield, Brown & Company Limited

E. L. Stilson, Manager
The Bristol Company of Canada Limited



Floyd S. Chalmers, Editor
Financial Post

In Your Business too

The TREND to DICTAPHONE SWEEPS ON

Never has interest in Dictaphone run so high as it does today. Businesses of every sort and size are turning to this modern dictating instrument — simply because it gets things done so quickly, smoothly, accurately and conveniently.

Actual handling of correspondence is only the first of a long list of Dictaphone's benefits. All day long, it lets men and their secretaries work, independent of each other's time and convenience. Try our Dictaphone in your office.

A working demonstration costs you nothing. Just ask the Dictaphone office nearest you to call on you. Meanwhile, the coupon below brings you a mighty interesting booklet without cost—"What Is An Office Anyway?" Write or phone for your copy today!

DICTAPHONE

Dictaphone is the registered trade-mark of Dictaphone Corporation.

Dictaphone Sales Corporation Limited,
137 Wellington St. West,
Toronto.

I want to see your representative.
Please send me copy of "What Is An Office, Anyway?"

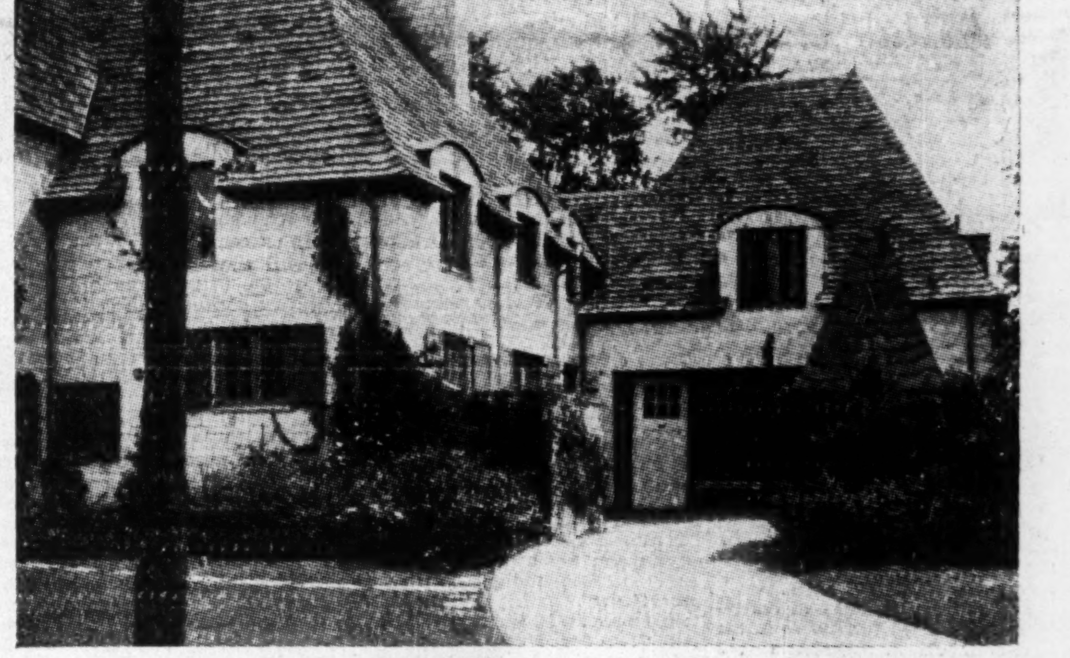
Name ....
Company ....
Address ....

Branches from Coast to Coast.

FP-2

BEAUTIFUL . . . TIME DEFYING ECONOMICAL

are the homes of CONCRETE



Residence of Alvan MacCauley, Jr., Grosse Pointe, Michigan

What do you want most in that dreamed-of home?

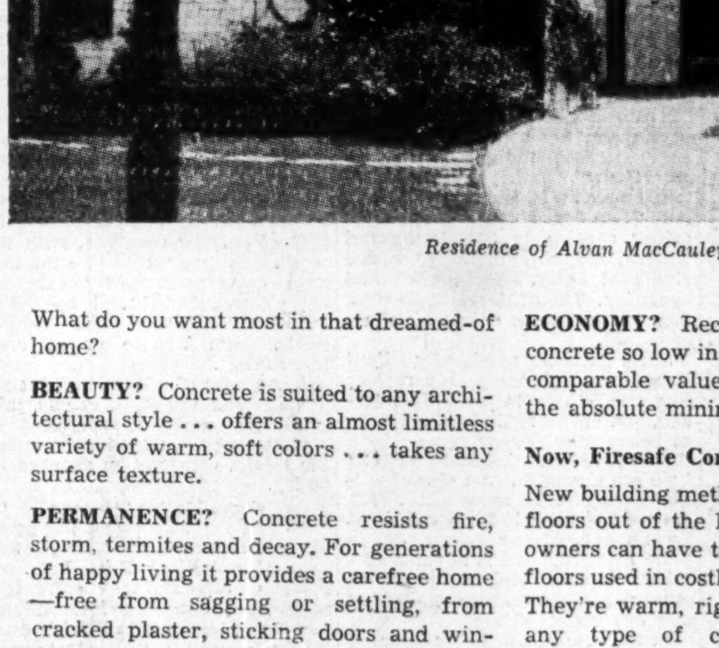
BEAUTY? Concrete is suited to any architectural style . . . offers an almost limitless variety of warm, soft colors . . . takes any surface texture.

PERMANENCE? Concrete resists fire, storm, termites and decay. For generations of happy living it provides a carefree home —free from sagging or settling, from cracked plaster, sticking doors and windows and creaking floors.

ECONOMY? Recent developments make concrete so low in first cost that it is an incomparable value. It reduces upkeep to the absolute minimum.

Now, Firesafe Concrete Floors at low cost

New building methods have lifted concrete floors out of the luxury class. Now home owners can have the same kind of concrete floors used in costly hotels and apartments. They're warm, rigid, quiet, and they take any type of covering—carpet, wood, linoleum, or simply colored and waxed.



Modern home at Long Beach, Indiana—concrete walls, floors and roof decks

TELL YOUR ARCHITECT

you want a concrete home. Have a concrete contractor or concrete products man estimate your house with firesafe concrete walls and floors. Demand a firesafe roof. Be sure that your architect and builder are familiar with the new technique in concrete construction.

Free booklet, "22 Low Cost Concrete Homes," sent on request.

PORTLAND CEMENT ASSOCIATION
33 West Grand Avenue, Chicago, Illinois

THE FINANCIAL POST

SECOND SECTION

Vol. XXX | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, MARCH 21, 1936 | 10c a Copy; $5.00 a Year | No. 12

Canada Has Anxious Eye Upon Europe

Government Pledged to Plebiscite Before Participation in War

LOCARNO NO CONCERN

From Our Own Correspondent

OTTAWA.—The European crisis is reflected on Parliament Hill in the form of much heart-searching on the part of leaders, ministers and members as to the possible, perhaps probable, reactions upon this country.

If no way, short of war, is found out of the existing Rhineland impasse, issues of far-reaching importance will be created in the domestic political field. The King government is pledged definitely to the policy of a national plebiscite and consultation with Parliament before Canada becomes committed to war. There is every indication that the government would honor this pledge to the letter and, therefore, a European blow-up could scarcely do other than precipitate an appeal to the people as to Canada's participation—most probably in the form of a general election.

Not Bound By Locarno

Semi-official and reliable sources of information stress this point of view:

Canada is not bound by the Locarno treaty which guaranteed the demilitarization of the Rhineland. Canada is a signatory of the Versailles treaty, which also covered the Rhineland demilitarized zone. But Canada's maximum commitments under the Versailles treaty are believed to be economic sanctions, whereas the obligations resting upon the Locarno powers, including Great Britain, may involve military measures.

Some Will Rattle Sword

There is conceded to be a difference in the degree of responsibility resting upon this country and the Motherland and should Great Britain be drawn into war, the repercussions at Ottawa are unappraisable. That a very large and powerful section of the two houses would demand immediate military aid from Canada to the Motherland goes without saying. That the government, in the majority, would fall back on the plebiscite pledge can scarcely be doubted.

With these possibilities in plain view, party leaders, the great and the small among legislators, have obviously been carrying on their routine duties — debates, conferences, administrative responsibilities—with one eye on London. There has been an air of tenseness, of suppressed excitement and the business of Parliament has been proceeding in an atmosphere of unreality.

Premier Hepburn Sees Power Gain

Thinks Niagara System Will Want 1.5 Million H.P. in 7 Years

In his budget speech, Premier Hepburn estimated that refunding of $60 millions of Ontario Hydro securities falling due within the next seven years at an average interest rate of less than 3½ per cent would result in a reduction of interest paid annually by the commission by $1.5 millions.

Great interest has been awakened by the fact that he further estimates that this would reduce the wholesale cost of power supplied by the commission to the extent of over $1 per horsepower per year. His assumption is that in the seven years' period from now the load of the commission in the Niagara District will have increased to 1.5 million horsepower.

The Street is wondering where the commission is going to get the extra power. It has thrown back Quebec Power and no more water can be diverted from the Niagara River without revision of the Boundary Water Treaty. Ontario Hydro is using all the water the treaty provides just now.

U.S. Farm Prices Gain Almost 40%

A. A. A. Plus Nature Produce Scarcity — Helps Canada's Exports

Concrete evidence of the success of the recent Agricultural Adjustment Act in the United States as a price-raiser of farm products is indicated by a summary of such values by the Bureau of Agricultural Economics at Washington. This states that average farm prices of livestock and livestock products were almost 40 per cent higher in 1935 than in 1934. The latter, in turn, were very considerably higher than in 1933.

That this jump was not a mere flash in the pan is indicated by the fact that the January cash income of U. S. farmers is estimated at the highest for the month in five years. Total is estimated at $566 millions, including about $1 million in government payments.

With the exception of wool, all livestock commodities, it is estimated, were very much higher in 1935 than in the previous year. Meat animals advanced 68 per cent, poultry 35 per cent, and dairy products 13 per cent. Outstanding gains were made in hog prices, an advance of just a shade over 100 per cent being recorded. Cattle jumped from $4.16 for 1934 to $6.21 for the same grade.

It was this sharp appreciation in values that proved the first attraction to imports of Canadian farm products. Since 1935, of course, the recent U.S.-Canadian Trade Agreement has proved a further attraction.

Canada—and the Next Five Years

Prominent Canadian Business and Professional Leaders Outline Main National Issues and Offer Solutions

THOUGH most clear-thinking Canadians place unemployment as the major problem to be faced by Canada in the next five years nearly everyone has a different view as to how it should be handled and tackled and as to what constitutes the basic cause of this national millstone.

Among this week's contributions to this remarkable series of articles on Canada's chief problems and their solution are included the viewpoint of east and west and discussion of such vital matters as sectionalism, farm markets, the "spread" between industrial and agricultural worker and the need for sound, painstaking effort if success is to be achieved.

This is the fifth in a series of articles being published by The Financial Post in an effort to construct some definite chart to guide Canada through the next critical years. The viewpoints expressed are all those of leading citizens in various walks of life and are in answer to the following specific questions:

1. What are Canada's five chief problems?
2. How, in each case, should these problems be tackled?
3. What other considerations do you think essential in clearing away major barriers to recovery in Canada during the next five years?

* * *

This week's contributors include:

Norman McL. Paterson started his business career as a telegraph operator in the Canadian west nearly 40 years ago. Since 1908 he has operated his own grain and elevator business at Fort William. He now has extensive elevator and steamship interests; holds many directorates.

* * *

Norman J. Dawes, in addition to his own job as president and managing director of National Breweries, Ltd., holds a score of important directorships in fields as diverse as utilities, insurance, construction, investment trust and pulp and paper. He has taken a keen interest in Canadian national problems; was president of the Montreal Board of Trade in 1930.

* * *

George H. Barr, K.C., is Ontario-born but has spent most of his life in Regina. He is senior partner of the law firm of Barr, Stewart & Cumming and in recent years has been actively associated as legal adviser to various co-operative marketing associations in the west.

* * *

George Kidd is a Sheffield-born boy who rose from a chartered accountant's office in London, Eng., to become general manager and president of B. C. Electric Railway. He retired from the latter office in 1928 and is now director of B. C. Power Corp. and other important business and financial concerns.

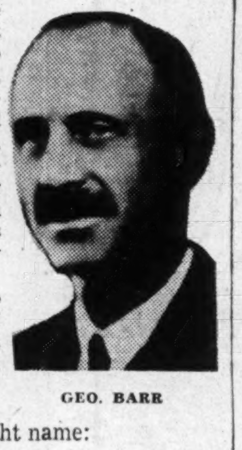
* * *

The series will be continued in subsequent issues of The Financial Post.

Dominion Needs Self-Government

By GEORGE H. BARR K.C.

The request to specify five outstanding problems of Canada and suggest solutions comes as a challenge.



GEO. BARR

In prosperous times, most of us would be inclined to evade the issue by pointing out that we elect members of Parliament to deal with public questions, but, under present conditions, we cannot hide behind any such excuse. As citizens, we have to face the alternative of finding a solution, or being involved ourselves in the disastrous consequences which will inevitably follow if we fail.

If the depression brings to each of us a new sense of personal responsibility, it will at least have served some good purpose.

Included in our outstanding problems today, one might name:

1. Unemployment, direct relief, and old age pensions;
2. The depressed condition of agriculture;
3. Taxation and budget balancing;
4. Tariffs and foreign trade;
5. The railway problem;

and endeavor to suggest some specific solution in each case.

Just Symptoms of Trouble

In my opinion, however, these are more in the nature of symptoms of the disease than the disease itself.

The question is—what are the under-lying causes, and to what extent is it within our power to apply a remedy?

At the outset, any honest citizen will have to admit that all is not well with Canada and her people today. Many are approaching the limit of their endurance, as evidenced by the record of tragic happenings appearing in the press from day to day.

On the whole, I think, the people of Canada are thrifty and actuated by a sense of fairness and, above all things, want to keep their decent self-respect and their political and economic freedom.

Need More Than Intentions

But the problem cannot be solved by the good intentions of citizens acting as isolated individuals. There are certain essential policies which can only be made effective through joint action.

The moment people associate themselves together in a community or a nation, there are three important aspects of the relationship thus created —political, economical and humanitarian. The first two have always been recognized as essential. The last is demanding increasing recognition in recent years.

Our political institutions through which we govern ourselves, should guarantee to each citizen the greatest degree of freedom consistent with according a like freedom to every other citizen. This involves two outstanding responsibilities: First, voting to elect our governing bodies, and, second, paying taxes to provide the necessary revenue to carry on the public business.

Our economic structure should provide the opportunity for each citizen to sustain himself and his family on a standard of living which will enable him to be of the greatest possible use to society and give him a reasonable opportunity for cultural development. This involves the right of every citizen to have the opportunity to work at producing or distributing wealth, with the essential and important end in view that all production must ultimately go into consumption to satisfy some human need.

All Must Take Part

From the humanitarian standpoint, it is becoming increasingly evident that no citizen can play his full part as an isolated individual, thinking only of his own welfare. If an epidemic threatens the welfare of the community, the citizen who refuses to co-operate with his fellows in stamping out the disease, cannot thereby secure immunity, but may himself perish from it.

The question today is—what can we do, in a practical way, to accomplish the essential purposes of government as above indicated and successfully cope with the difficulties which are pressing in upon us?

First, must come the recognition by each citizen of his full responsibility in connection with these three aspects of our national life. Selfish, parochial and party considerations must be subordinated to the national interest. This alone would be immediately reflected in better government and sounder business.

Definite Reforms Necessary

But this is not enough. Definite reforms should now be made in our structure of both government and business.

We should, in my opinion, take immediate steps to obtain the right to govern ourselves—to make and amend our own Constitution. This will mean an amendment to the Statute of Westminister, particularly the repeal of sub-section (1) of section 7, with proper safeguards protecting minority rights in respect to language and religion.

Having accomplished this, we should set to work to revise the Constitution in terms of present day needs. Consistent with maintaining efficiency, every effort should be made to remove unnecessary handicaps from business and unnecessary burdens from the taxpayer.

To this end, there should be a redistribution of legislative power between the Dominion and the provinces. Among other things, more of our laws governing business should be placed under Dominion jurisdiction. If, in the all important matters of life and liberty, we are content to live under a Federal statute—our Criminal Code—why not become Canadians "all the way" in other matters of general concern, instead of having them dealt with by nine different legislative bodies—and thus forego some of the expensive luxury of being over-governed.

With this, some rational and scientific method of taxation should be instituted to prevent duplication and waste.

Economic Structure Unbalanced

But cutting down overhead by government reorganization will not meet the situation without income to pay taxes. The problem in Canada today is that the great majority of our citizens have little or no income. That is because our economic structure is out of balance. Goods and services have far too little exchange value in terms of money. Our primary producers, in the process of converting the real wealth which they create into money—or licenses to consume—take such a loss in the exchange that they have practically no purchasing power. Credit and money have been contracted and deflated and made scarce and dear, with the result that human life and the product of human effort have been made correspondingly cheap.

Before we can hope to solve our underlying economic problem, a fair and just relationship must be re-established between goods and services and money, and by the expansion of credit, the disastrous trends resulting from deflation and contraction must be corrected.

Remove Trade Barriers

With the nationalization of our Central Bank to serve "the public need," as stated by the Dominion Premier, every effort should be made, in co-operation with other parts of the Empire and any other nations who may wish to join, to stabilize exchange and thus remove one of the greatest barriers in the way of foreign trade.

With the removal of artificial obstructions in the way of interchange of real wealth at home and abroad, we shall be definitely faced in the right direction, with expanding purchasing power, absorption of unemployment into industry, increased railway earnings, and the national revenue necessary to balance our budgets.

Finally, we should bear in mind the warning of Lord MacMillan in the report of the committee of Finance and Industry (British) at page 115: "Social unrest will tend to make moderate and rational remedies more difficult the longer they are delayed."

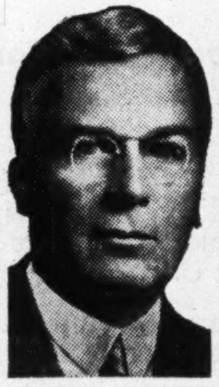
* * * *

Land Overloaded With Governments

By NORMAN J. DAWES

What are Canada's five chief problems?

1. Balanced Budgets—The first and most important is the balancing of budgets of all governments—Federal, Provincial and Municipal. We cannot borrow ourselves out of debt; and we cannot maintain our credit, upon which the progress of the country depends, unless budgets are balanced.



NORMAN J. DAWES

Government debts in Canada now amount to seven billion dollars, on which the annual interest charge totals $350 millions. This is spread over from 2 to 3 million bread winners. Unnecessary government expenditure must cease, as well as overlapping and duplication of governments and government departments, such as agriculture, health, education, railways and unemployment relief. We have a Dominion, nine provincial and thousands of municipal governments, all duplicating taxation and in some cases still over-spending. The number of provincial governments might be reduced and their scope narrowed down to more local affairs.

One of the objects of Confederation was to form a centralized government, in order to save government expenses and prevent the nation developing into separate groups, each with a number of self-interested governments, replacing, duplicating or assuming some of the functions of the Federal Government, which has been the case in the past, and which is inimical to the interests of the Dominion as a whole.

Practical Farm Aid Wanted

2. Agriculture is one of the main forces which help to determine Canada's success, so that the farmer should be helped in every practical way possible, by—

A. A scientific research of the soil, climate conditions, and water supply, etc.

B. Given adequate instruction in farming methods suitable to each district.

C. Helping the population in some unproductive areas to move to other localities where they would be more centralized and have more reasonable chances of success.

D. Finding markets for his products.

Speculation by government or wheat boards in farm products does not seem justifiable.

The tariff policy is concerned with agricultural products as well as industry and this should always have a bearing on any trade arrangement with other nations.

Centralized Management Necessary

3. National railway deficit — Business has learned that where a company has a number of competitive branches, centralized management and a community of interest between these branches are necessary for the success of the enterprise.

The same rule should be applied to our railways, because we cannot expect to achieve the necessary co-operation between the railways except through centralized management which tends to reduce operation expenses, thus eliminating deficits. This action is essential if the terrible drain on the country's resources is to be stemmed.

Taxes Need Adjustment

4. Taxation—Duplication in governments has led to duplication in taxation. All taxes are reflected in the cost of goods and services. The whole of Canada would benefit therefore by an adjustment of taxation downward, because lowered prices of goods and services lead to increased volume of business.

For Unemployment Study

5. Unemployment—The unemployment problem is not confined to any particular section of the country and therefore should be studied from a federal standpoint. Standards should be set up for those who benefit from relief and there should be proper investigation and classification of all unemployed, and an employment committee to oversee and supply employees where employment is available.

In any consideration of this problem study must be given to the opportunity which agriculture can provide in absorbing unemployed.

In answer to the excuse advanced that some necessary changes cannot be made because they would not be popular; if the public were adequately and fully informed on these questions in an unbiased, non-political way, there would not be much opposition to logical and essential reforms It is the duty of the press, members of governments, business and industry, labor and educational leaders to keep the public properly informed and not permit sectional interests to be served if they are at the expense of the country as a whole.

Politicians Share Blame

In elections during the last few years, the speeches of aspiring members of parliament have tended to obscure national issues and have helped to keep Canada bogged in the quagmire of depression by casting doubt and suspicion on the motives of opponents as well as on those who are giving serious thought to Canada's problems.

Is it any wonder that the public becomes bewildered? We have it in our own power to prevent confusion, eradicate suspicion and to put Canada solidly on the road to progress, if we consider all our troubles from a national rather than a provincial sectional or political viewpoint.

* * *

Individual Effort Road to Recovery

By GEORGE KIDD

In my opinion the first and most difficult problem with which we, in common with the civilized world, are faced is the problem of unemployment. I saw somewhere that about 20,000 volumes have been written on this and kindred subjects, and even this enormous output is probably exceeded by the spate of platform verbiage with which this and other countries have been deluged. I have therefore come to the conclusion that no ready made specific or panacea exists for the cure of this evil.

Unemployment naturally lends itself to emotional appeal and is, of course, used in support of a great variety of economic, potitical and financial nostrums designed more to give notoriety to their advocates than as helpful or practical solutions of this problem. These nostrums generally consist either of schemes exhausting every letter of the alphabet for the control of, or at least the regulation by government of undertakings engaged in the production or distribution of the nation's wealth, or they aim at reform of our monetary policy which on examination proves to be nothing more original than the use of the printing press for the creation of more currency.

Present Economic Policy Best

Personally I endorse Sir Edward Beatty's "deep, sincere and reasoned belief in support of the present economic system of society." At the same time I believe that system has been grossly abused in the past, and not least by business leaders throughout the country, and that many reforms are urgently demanding attention, the first of which is the simplification of our system of government.

Too Much Government

We have too many governments and governors. Their overlapping and extravagance are notorious. Innumerable commissions and their reports may be found from one end of the country to the other, full of suggestions for the removal, or at least the mitigation of this abuse, but little can be done until the public is convinced that a reduction in the cost of government and balanced budgets must precede any sane and permanent recovery.

Dare Political Leaders Tell?

Accompanying this problem is the question of our railway systems which are at present a serious menace to the continued solvency of our Dominion finances. But here again it is questionable whether our political leaders dare tell the public what they really think on this and no doubt many other subjects. We all at times abuse our politicians for the ills from which we suffer, forgetting that our political leaders can only advance so far as their constituents will allow them, and that therefore the public must be convinced before any real progress can be made.

It may be asked how reforms in government will assist the unemployed? In fact many critics will at once contend that such reforms will only add to the number of our unemployed. My answer is that I believe that the business undertakings of the country are seriously handicapped by unreasonable government interference and taxation, and that if these handicaps were removed, private enterprise would in time, and perhaps faster than many people imagine, absorb a very large portion of those who are at present unemployed.

Time to Stop Abuse

Although our leaders in business, like leaders in all other walks of life, have made mistakes, we should not forget that it is they and their predecessors who built up the economic fabric of our Dominion upon which the whole paraphernalia of the government and its citizens depend, and it is very largely to those leaders we must look for its maintenance and development in the future. Abuse of leadership in all walks of life has been a popular pastime during the last few years, and the time has now arrived for us all to turn our thoughts into more constructive channels.

I regret that I have no easy solution for our many problems. The road to permanent recovery may yet be long and tedious, even though there are unmistakable signs of improvement, but if each individual would do his own job to the best of his ability and display a little tolerance to his neighbor, our difficulties would rapidly disappear.

* * *

Cut Crop Prices To Secure Market

By N. M. PATTERSON

Farms Can Aid Cities

The questions which you asked me to comment on resolve themselves, to my mind, into five problems which are so closely related that they can hardly be separated, namely, unemployment, immigration, future of agriculture, taxes and foreign trade.

N. M. PATTERSON

Our system of unemployment should be directed to making people self-supporting and the quickest way that this can be done is to put more people on the land.

During the war it took ten men behind the lines to keep one in the front line and it is estimated it takes nine city workers to keep one man on the farm. If this ratio is correct it would not take many more farmers to create employment for the unemployed in the cities. If we discussed the question of more farmers it means immigration possibly, and whom then shall we look to as successful immigrants? It must be from a country whose standard of living is lower than ours and whose people wish to move to a country with more opportunities. They must also be law-abiding and industrious. I cannot comment on where such people might be found.

The question of the agricultural future rests entirely with the farmer because crop failures are instances which will occur and good farmers put away in good years, sufficient to tide them over and also have a few pigs and cattle, chickens, etc., to fall back on.

More Should Feel Taxes

Taxes are a matter of importance which affect the city and keep the price of the things the farmer buys higher than he can afford to pay. Taxes are a matter of exercising good business ability in balancing the budget and if they are as low as it is possible then they should be spread over more people.

Foreign trade is a big question but with us it refers to markets for agricultural products. If the purchasing power is low in foreign countries then our goods must be sold at a price they can afford to pay and this again necessitates downward revision of the standard of living to the point where budgets are balanced and our goods sell freely abroad.

Would Scale Prices For Markets

I see nothing but eventually reducing the price of agricultural products to the point that they find markets and possibly drive less suitable countries out of the grain surplus producing business. With half the West on relief much lower prices might be experienced and still our farmers would be better off than they are today with no crop whatever to sell at any price. The standard of living of our agricultural population is so much lower than that of our cities that an equalization must occur, which means wages must come down in the cities.

Treaty Vote Doesn't Show True Picture

Apparent Solidarity of Parties on Trade Pact Misleading

QUEBEC WAVES FLAG

From Our Own Correspondent

OTTAWA.—Debate on the U. S. trade agreement has joined the issue between the major parties on the tariff and, also, has produced minor political upheavals which may become important later on.

The apparent solidarity of the parties on this issue is misleading. Corridor gossip, on Parliament Hill, tells a different story to that of the division lists, where the majority for the treaty was 175-39—one of the largest on record.

On the Liberal side there were upwards of 20 who were not present when the vote was taken. They are chiefly Quebec members, with W. H. Moore, member for Ontario, the leading English-speaking absentee. Mr. Moore's riding includes major automobile plants, but this was not a factor in his decision to abstain from voting. It is learned that Mr. Moore has made it plain to the Liberal caucus that he did not vote because he is not yet satisfied of the merits of the pact. Therefore he has deferred judgment.

The case of the Quebec bolters is different. Their absence brings to the surface in Parliament an apparently strong under-current of nationalism, once more gaining volume and power in the ancient province. They declined to vote because they fear the treaty may mean the Americanization of this country. Presumably they would oppose, and for precisely the same reason, closer relations with Great Britain or any other country. They are stark nationalists and in taking the stand they have, it is not disputed they have strengthened themselves with their people. These men are the inheritors of the Bourassa tradition and political observers at Ottawa point to recent speeches by leading provincial politicians as the strongest evidence that Quebec is once more in the grip of nationalistic fever.

On the Conservative side, the party advisers experienced difficulty lining up some of the British Columbia and western Ontario members against the trade pact.

To this extent, the trade agreement is cutting across party lines.

Abitibi Canyon Power Gaining

Fifth Unit Nearly Completed and Sales Are Mounting

The maximum primary peak for power on the Abitibi system of Ontario Hydro-Electric Power Commission has advanced from 11,394 horsepower in May, 1933, to 58,915 horsepower in January, 1936.

The combined primary and secondary horsepower on the same system advanced from 11,394 h.p. in May, 1933, to 134,652 h.p. at the end of January, 1936.

Fifteen contracts have been entered ihto for the sale of power from Abitibi Canyon Power Development, Hon. Arthur Roebuck, Ontario's attorney-general, reports. There are 12 contracts for firm power, one contract for interruptible power and two contracts for at-will, one of the latter being for temporary power only. Also three local distributing systems serve directly to more than 300 customers by individual contracts with each consumer. Nearly all contracts are standard as to terms and rates.

Rates $32.50 Plus

Rates quoted are as follows: $32.50 per h.p. per annum for 1 to 5,000 h.p.; $22.50 per h.p. per annum for 5,000 to 10,000 h.p. per annum; $17.50 per h.p. per annum for 10,000 to 20,000 h.p. per annum; $22.50 for all h.p. over 20,000 h.p. plus 4¼ mills per kw.h. for all consumption in excess of 85 per cent load factor.

One firm power contract has a straight line rate of 4¼ mills per kw.h. for all consumption, with a minimum rate of $18 per h.p. per annum. In the Kirkland Lake district where power is sold at the same voltage as Northern Canada Power Corp., rates are $2.50 and $1.50 per h.p. higher per annum than this schedule.

The one interruptible power rate is two mills per kw.h. with a minimum of $10 per h.p. One at-will-power contract carries a rate of .78 mills per kw.h. and the other, which is a temporary contract from day to day, carries a rate of .65 mills per kw.h. Duration of contracts varies from life of mine to two, five and 10-year periods.

Pays For Transmission Line

The customer is required to post a bond with the commission equivalent to cost of transmission line required to give service. This bond is returnable on the basis of 10 per cent per annum or 25 per cent of annual power bill. Customer is also required to post additional bond equivalent to three months' power bill. This bond is held by the commission as long as contract remains in force. Power is supplied on the basis of 10-minute average peak at 85 per cent power factor. The minimum amount of power to be paid for is 75 per cent of previous maximum demand. The customer is allowed to drop back to 50 per cent of highest peak established during the year at the end of each contract year.

In the domestic service minimum monthly bills run from $2 to $2.50 monthly. Service charge is 33 cents and 66 cents, six cents per kw.h. for the first 50 and two cents thereafter. There is a ten per cent discount allowed for prompt payment.

Debt Legislation a Major Factor Retarding Mortgage Lending

Loan Demand Prospects Appear More Favorable

Improvement in Collections and Building Prospects Brighten Picture if Legislative Barriers Removed

By T. D'ARCY LEONARD

From the historian's viewpoint, in after years it may be possible to look back upon 1935 and view it as a transitional year in the mortgage loaning business in Canada; a year in which we were emerging from the worst of the depression. In the actual experiencing, it has seemed the most difficult that lenders have yet encountered.

Because mortgages inherently belong to the highest class of safe, conservative investments, they are not greatly affected during the initial stages of a depression when more speculative securities are declining. If, however, a depression is so long and so severe that even the safest forms of investment become affected, then a recovery in general trade and industry must necessarily precede the restoration of the mortgage loaning business to a normal, healthy condition.

Because this general recovery does now appear to have been on the way during 1935, the year may have laid the groundwork for better mortgage business in subsequent years.

On the whole, however, 1935, has been a year that the lending institutions prefer to have behind them rather than ahead of them, and it is to be hoped that the current year will improve upon it. This hope is not unfounded, provided that those charged with the duty and responsibility of administering our various governments cease to discourage investing in mortgage credits. Apart from that factor, other indices are favorable.

The increase of employment and of wages, coupled with the abnormally small amount of new construction during the past few years, should result in decreasing the surplus of houses for sale or for rent. Indications definitely point to a larger volume of new construction in 1936 than in any of the past few years, and this in turn will add further to employment. The movement forward has commenced and, if the brakes are removed, there should be steady acceleration.

Collections Improve

From the standpoint of payment of principal and interest, there has been some improvement over the past few years. The increase in employment and the betterment of commodity prices have contributed to this result. However, the cumulative effect of arrears on those who have not been able to pay has added to the amount of real estate on hand. Rentals have improved, but there continues to be very little buying and selling of real estate. Municipal taxation is still high and deters people from investing in real estate, whether for homes, for income, or for speculation.

New Mortgages Few

It can be readily deduced that there has not been a great deal of money put out in the way of new mortgage investments during 1935. There is no dearth of money available and seeking the few desirable loans where both the applicant and his security are satisfactory. But the existing legislation causes the investor to shun those applicants who, no matter how eager and willing to bind themselves now, nevertheless are likely in the future to be protected, or to seek protection, from their contracts.

Then, again, places with high municipal rates are avoided, and also properties which would be difficult to deal with in the existing stagnation of real estate. The desirable application today is from the borrower who has an excellent moral covenant, that is, one who has shown himself willing to carry out his promises notwithstanding the existing legislation.

Housing Act

An interesting development last year was the enacting of the Dominion Housing Act. Briefly put, it provides for mortgage loans to be made jointly by the Dominion government and a lending institution or a municipal corporation up to 80 per cent of the loaning value of newly constructed dwelling houses.

The scheme has this favorable feature, in so far as government loaning is concerned, that it utilizes the facilities of those institutions that are engaged in the business and thereby avoids setting up an expensive government organization. For the same reason, losses should be much smaller than in previous government-assisted housing programmes.

However, as is natural in any innovation of this nature, imperfections have been found in the practical application of the act which have militated against the full use of it. These practical deficiencies will have to be corrected if the act is to function properly.

Legislative Barriers

In such times as these, a mortgage investor must not only cope with economic conditions, but also with legislation particularly directed at mortgages. The year 1935 was no exception in this regard. Fortunately, the most serious threat to the mortgage business by legislation was defeated. That was the attempt to amend the Interest Act to reduce the interest rate on all existing mortgages to six per cent.

When the bill was originally introduced it would have applied to all future mortgages, but those supporting it realized that such legislation would entirely cut off mortgage loaning in some places for all time, and in all localities at certain periods. Therefore it was amended to have a retroactive effect only. This admitted, in effect, the unfairness of the proposed legislation. The bill did not pass the House of Commons, but it serves as an indication of that threat of legislation which tends to keep money out of mortgage investments..

Farm Creditors Act

The Farmers' Creditors Arrangement Act has passed through a year of testing. To a great extent its operations have depended upon the attitude adopted by the various boards of review. There is such a board for each province, made up in each case of a Supreme Court judge, a creditors' representative, and a debtors' representative.

In some provinces there has been a great deal of criticism by creditors of the proposals formulated by the boards. In addition, considerable doubt was cast upon the constitutional validity of the act and of the proposals. As a result the act was referred to the Supreme Court of Canada for determining its validity. Judgment is now pending.

From a mortgage standpoint, there have been three main criticisms of the administration of the act. The first has been the disregard of priorities among creditors. If a first mortgage is to bear some of the loss that would otherwise fall upon junior or unsecured creditors, then it is no longer a first mortgage and investors with trust funds to protect must look elsewhere for investment.

A second criticism has been the practice of boards of review of basing the adjustment of the farmer's debts on a valuation of the farm, as set by an appraiser appointed by the board, and based on today's depressed conditions and prices. Further there has been a tendency to reduce interest rates without regard either to the ability of the farmer to pay the mortgage rate, or to the cost to the mortgage company of the money loaned.

Compromise Legislation

There is much that can be accomplished by compromise legislation enacted under the Dominion's powers in bankruptcy, and if the present Farmers' Creditors Arrangement Act should be held to be invalid, it is to be hoped that it can be replaced by true compromise legislation which would avoid the three objections mentioned above. Such legislation is preferable to provincial moratoria, if we must have debt relief legislation.

Most provincial debt adjustment or moratorium legislation was carried forward during 1935. The acts in Ontario and Quebec continue unchanged. In British Columbia the Mortgagors and Purchasers Relief Act was renewed, and amended to apply to one year's taxes. A very drastic Agricultural Industry Stabilization Act was passed in Alberta which now gives that province the unenviable distinction of having the most unfair debt legislation in Canada.

Shows Spirit of Province

In Saskatchewan, some modifications were made in their Debt Adjustment Act of a constructive nature and there are very definite indications in that province that the people desire to resume the doing of business on a normal basis. This attitude of mind will help to restore the confidence of investors.

A select committee of the Manitoba Legislature gave its blessing to debt adjustment legislation and stated that farm credits have been in the main adversely affected by low prices for farm products and not by the debt adjustment legislation.

The Maritime Provinces have now no moratorium legislation in force, and conditions in those provinces are improving.

$46 Millions In Ontario Farm Loans

Government Is Collecting 2.46 Per Cent Interest

ADMINISTRATION HIT

The Ontario treasury has not purchased any debentures from the Agricultural Development Board since last April, nor will it purchase any in the future.

At the end of January, 1936, farm loans made by the Board and still outstanding totalled $46 millions, a decrease of some $3.5 millions since October, 1934. Interest paid by the board to the province from April 1, 1935, to Feb. 29, 1936, was $1,078,560, and $1 million was paid back on capital account. Worked out on the basis of a full year's interest on the average loans outstanding during the period, this means that the government is currently collecting about 2.46 per cent interest. Loans were originally granted at a 5½ per cent rate.

Administration Denounced

Speaking in the Ontario legislature, Premier Hepburn denounced administration of the loans in the following terms: "It is easy to be wise after the fact, but I question if there ever was in the history of any financial institution of this country such an exhibition of improvident loaning as would be revealed by an examination of the files of the Agricultural Development Board." In explanation of the government's action in discontinuing to make new loans last summer, Mr. Hepburn gave two reasons. First, that the Dominion Farm Loans Board was functioning with ample funds to meet the requirements of farmers asking loans on the security of their farms. And secondly, that the province was finding it difficult "to make satisfactory arrangements with the people who control the supply of money." He was referring, of course, to his run-in with the financial interests last June.

1935 Operations

A review of the 11 months ended Feb. 29, 1936, indicates that during the period 238 loans amounting to $407,685 were made, 449 farms were taken over by the government and 282 farms sold. The board now owns 731 farms, carried on the books at $3,457,188. Loans outstanding at the end of each fiscal year since they were first made in 1923, are as follows:

Farm Loans Outstanding
Years Ended Oct. 31

	$		$
1923	4,132,987	1930	29,442,986
1924	7,207,043	1931	35,450,646
1925	9,584,176	1932	42,152,965
1926	12,191,375	1933	47,302,620
1927	15,531,360	1934	49,585,416
1928	19,465,405	1935*	49,291,052
1929	23,835,887	1936†	46,046,395

*March 31. †Jan. 31.

Record of Failure

Failure of the Ontario undertaking is in line with the experience of other provinces where similar boards were established to provide farm loans at low rates. When the schemes were first introduced, no heed was paid the claims of trust and loan and insurance companies that rates already in effect had been arrived at through keen competition. It was pointed out that rates of the private companies were as low as possible, after providing for a margin, suggested by long experience, for abnormal loss experience. Those favoring the government agencies pointed out that the private companies had an axe to grind.

Time has shown that their counsel, even if it were not wholly disinterested, was well founded. The government lending enterprises in Manitoba, Saskatchewan and Ontario have proved dismal failures. Officials of financial institutions may be pardoned, therefore, for a natural feeling of satisfaction, not that the government schemes have failed, but that their failure has proved the justness and soundness of the charges levied by private institutions and the efficiency of their management.

Low Cost Money

The Ontario Board had the advantage that it drew money from the Ontario Savings Office which paid a relatively low rate of interest compared with private lending companies. These funds, in turn, were made available to farmers at exceptionally low rates, rates which were continued even after financial statements showed that the scheme was in deep financial waters. At a time when low prices made farm lending very hazardous, and as a consequence private firms had almost stopped their activities in this field, the board was more active than ever.

Ontario Radio Sales

Almost a third—or 32.8 per cent—of radio receiving sets made and bought in Canada during the third quarter of last year were credited to Ontario.

Trust and Loan Index

Acadia Tr. . . . 19
Adm. & Tr. Co. 19
Br. Canadian Tr. 19
Br. Mtge. & Tr. 19
Brockville Tr. . 19
Can. Perm. Tr. . 19
Canada Tr. . . . 19
Capital Tr. . . . 19
Chart. Tr. . . . 19
Central Tr. . . . 19
Comm. Tr. . . . 19
Crown Tr. . . . 19
C. P. Mtge. . . . 21
Cen. Can. Loan. 21
Crown S. & L. . 21
Credit Foncier . 22
Deb. Co. of Can. 22
Equit. Tr. . . . 22
Eastern Tr. . . . 19
East. Can. Loan 21
Fidelity Tr. . . 19
Guelph & Ont. . 21
Guardian Tr. . . 20
Guelph Tr. . . . 20
Gen'l Tr. & Ex. 19
Gen'l Tr., Can. . 19
Grey & Bruce . 19
Guarty. of Can. 19
Home Invest. . . 21
Hud. Bay Mtge. 21
Huron & Erie . . 21
Int. Loan Co. . . 22
Ind. Mtge. . . . 20
La Soc. Prêts . 22
London & West. 20
Lambton Tr. . . 20
Lambton Loan . 21
Landed Bnkg. . 21
Maritime Tr. . . 20
Montl. Tr. . . . 20
Midland Loan . 21
Montl. Loan . . 21
Mtge. of N. S. . 21
N. S. Savings . . 22
National Tr. . . 20
Northern Tr. . . 20
Nor. Can. Mtge. 21
Nor. of Scot. . . 21
Nor. Mtge. Can. 21
N. F. Bldg. . . 22
Nova Scotia Tr. 19
Okan. Ln. & Tr. 22
Occ. Tr. 22
Osler & Nanton 19
Ont. Loan & D. 21
Prudential Tr. . 20
Premier Tr. . . 20
Provident Inv. . 21
Royal Tr. . . . 20
Real Est. Loan . 21
Sun Tr. 22
Sask. Gen. Tr. . 22
Security Loan . 21
Sask. Loan . . . 21
Sherbrooke Tr. . 20
Sterling Tr. . . 20
Soc. N. Fiduc. . 20
Tr. & Loan . . . 22
Tor. Gen'l Tr. . 20
Trusts & Guar. . 20
Tor. Mtge. Co. . 21
Victoria Tr. . . 22
West. Homes . . 22
W. Can. Inv. . . 22
Waterloo Tr. . . 22
West. Tr. 22
Yarmouth . . . 21

The

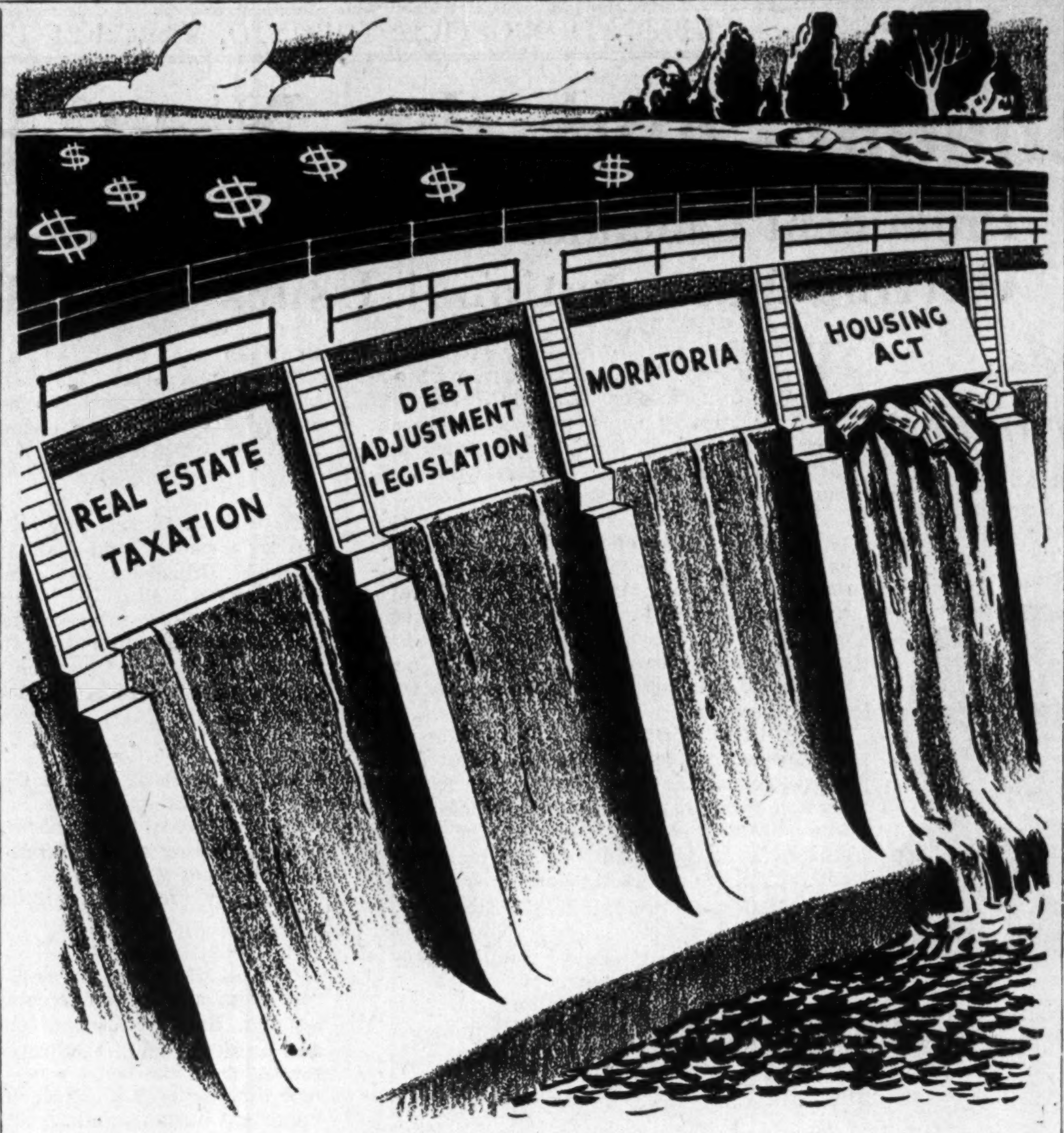
Victoria Trust and Savings Co.

Established 1895

Record of Growth

	DEPOSITS	GUARANTEED CERTIFICATES	ASSETS
1900	$88,561.52	$22,824.77	$231,910.00
1905	154,059.87	112,273.04	419,188.00
1910	196,884.00	175,890.00	706,014.00
1915	394,566.00	386,751.00	1,444,019.00
1920	1,094,734.00	1,169,000.00	3,292,848.00
1925	1,312,940.00	2,466,035.00	5,218,820.00
1935	1,417,295.37	4,889,442.22	9,008,207.24

Head Office: LINDSAY, ONT. Branch: CANNINGTON



STAGNANT WATERS

Faith in Trusts Seen By Advance in Estates

Public Becoming Increasingly Aware of Advantages of Corporate Trustee — Guaranteed Funds Popular With Investors

The huge volume of assets which is controlled by Canadian trust companies is not generally realized. Yet the total is relatively little less than those of the chartered banks, and exceeds by almost a billion dollars of the life insurance companies. In rough figures, assets controlled by trusts amount to some $2.7 billions, as compared with $2.9 billions by the banks and $1.8 billions by the life insurance companies.

To an even greater extent than these other institutions trust companies can claim to be trustees of the funds placed with them. The bulk of their assets is represented by estates, trusts and agencies under administration, which account for all but about $250 millions of the total. Control which the company can exercise over such funds is, of course, strictly limited. Their investment is governed largely in accordance with the terms of wills, trusts instruments and so on. In other words, for these moneys the company acts merely as depository or trustee.

The remainder of a trust company's funds are derived from two accounts: Guaranteed trust account and capital account. The latter is the shareholders' equity in the company, consisting of capital stock, reserves, surplus, etc. The former comprises funds contributed by depositors and by purchasers of investment certificates.

Limitations of Individual

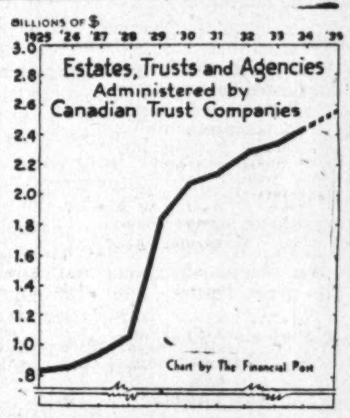
The principle underlying the whole of the estates department of a trust company's business is that it embodies group judgment. It is necessary to have someone look after an estate after the owner's death. If a personal executor is chosen, say one man, he is subject to all the hazards which face any individual. In the event of financial difficulties, or of health impairment, or of any one of a number of other contingencies which may quite possibly arise, administration of his trust is necessarily hampered or even endangered.

He has restricted sources of information, training and experience. The work is really a legacy of worry and bother—as one trust official has put it "To him an executorship must necessarily be something that he undertakes out of the goodness of his heart rather than something he approaches as his work and duty."

On the other hand, an estate in the administration of a trust company is being handled by thoroughly trained specialists, with years of experience in estates work and with a wealth of up-to-the-minute information on matters which may exert an influence on funds under their control. The company can guarantee continuity of service which, naturally, cannot be given by an individual and also has back of it an established fund to provide for unforeseen losses.

There has been little change in the services offered by trust companies since away back in the 1800's. The nature of those services has changed substantially, however, as modern intricacies of taxation and developments in the conduct of business have multiplied many times the onus of an executor. On problems such as administration of real estate, assessment, taxation, succession duties, the special facilities of trust companies are almost invaluable.

Modern trusts have departments to handle estates, corporation trusteeships and other responsibilities which can best be taken care of by an incorporated company which will continue in business over a long period of years. Management of real estate, and mortgage investments, of receiverships and bankruptcy proceedings, stock transfer business and safety deposit vaults all come under specialized departments. While these separate departments are distinct entities, there is a correlation between them that permits complete and unified service.



Growth of Estates Business

That the public is becoming increasingly aware of the advantages of corporate trusts is seen in the marked advance in the volume of funds so controlled. The accompanying chart illustrates the continuous growth of this business over the past ten years. It should be pointed out,

(Continued on page 22)

Trust Earnings Grow—Mortgage Group Down

No Major Change in Trend Recorded in Operations of Financial Companies — Confidence on Way Back

Considered as a whole, financial results of trust and loan companies during 1935 show little appreciable change from their record in the previous year, according to the reports reviewed in this issue.

Profits of trust companies, which turned upward in 1934 after a pronounced four-year descent appear to have been slightly higher. These companies have an advantage over the purely loan companies in that a considerable portion of earnings accrues from administration of estates, which have recorded substantial growth. Against this, however, must be debited the additional costs of such operations.

Unfortunately, mortgage institutions as a whole seem to have lost further ground. The year 1934 did not mark the reversal of the long downward trend of loan company earnings, and 1935 is estimated to show a further drop. Some measure of satisfaction may be taken from the fact that in recent years the declines have not been so precipitate.

Excess Funds

Viewing operations as a whole, earnings are still unsatisfactory. The situation is understandable in view of the existing volume of funds in the market. For the past few years, money, which in a sense is a commodity on which demand and supply exert a definite influence, has been exceptionally cheap. Particularly has the flow of funds been directed to financial institutions, as confidence in more speculative investments gave way to the conception that security was the feature to be stressed. And if security were coupled with a relatively high return, as was the case with trust and loan companies, so much the better. Consequently some companies are in the position of refusing additional funds.

Looking at it from the other angle, construction has been practically at a standstill, with much of what was carried on, undertaken under government subsidy. Successive crop failures have blasted the profits of western farmers. Thus demand for mortgages from reputable sources has been greatly curtailed. Interest and principal payments on outstanding obligations have had to be discontinued in a large number of cases. The growth of "real estate for sale," in the companies' balance sheets is an indication of the increasing difficulty of mortgagors in meeting payments. These properties are usually acquired by the companies only as a last resort.

Legislative Difficulties

And to these "natural" contingencies, governments have added further millstones to the necks of profit possibilities in legislation providing for the scaling down of existing debts, for postponement of interest payments, and by high tax levies exacted from property owners. Reports from mortgage companies indicate that the Dominion Housing Act, which might have been of considerable aid, is so wound up in red tape that new mortgages issued under it are almost negligible.

With the normal field of mortgage lending largely shut off, the companies have had to turn to the less lucrative alternative of investing in

(Continued on page 22)

REAL ESTATE LOAN CO.
OF CANADA LIMITED

521 Confederation Life Bldg., Toronto 2, Ont.

Capital Paid-up $500,000
Reserve 250,000

4% Debentures are issued in all denominations of $100 and over for two to five years. These Debentures are an exceptionally safe investment with an attractive return.

Loans on Improved Real Estate at Current Rates

H. Wilberforce Aikins, *President* — E. P. Beatty, *Vice-President* — Charles A. Morris, *Managing Director*

68,970 Accounts

The Deposits, Debentures and Stock of The Huron & Erie Mortgage Corporation and Trust Certificates of The Canada Trust Company are owned by people in all walks of life.

The Huron & Erie Mortgage Corporation

	Number	Average	Total
Savings Accounts	34,726	$ 266	$ 9,230,000
Canadian Debentures (Held by investors in Canada and U. S. A.)	25,620	$1,050	$26,900,000
Sterling Debentures (Held by investors in Great Britain)	918	$2,472	$ 2,260,000
Shareholders (Paid-in Capital — $5,000,000)	1,510	$3,311	$ 5,000,000

THE CANADA TRUST COMPANY

	Number	Average	Total
Guaranteed Trust Certificates (Held by investors in Canada and U. S. A.)	5,014	$1,151	$ 5,770,000
Guaranteed Deposit Certificates	1,182	$2,646	$ 3,128,000

These widely-known and highly-regarded institutions have assisted in Canada's development since 1864 and 1899 respectively.

Head Offices : London, Ontario
London (4 offices) Toronto Hamilton Montreal Windsor St. Thomas
Chatham Winnipeg Regina Edmonton Vancouver Victoria

Trust Companies

Acadia Trust

Acadia Trust Company of Truro, N.S., although relatively young in years, has established for itself an important position in Maritime trusts activities. Earnings have been well maintained, and a dividend of ten per cent paid for the past five years. At the end of 1935, the company had under administration estates amounting to more than $5.7 millions.

Operations of the company are centred largely in Nova Scotia.

Officers and Directors — A. R. Coffin, Truro, pres.; Harold F. Bethel, vice-pres. and man. dir.; P. J. Wilcox, sec.; H. A. Townsend, asst. sec.; C. E. Stanfield, Truro; F. L. Milner, Amherst; J. W. MacLeod, New Glasgow; C. B. Smith, Halifaxx; H. M. Chase, Kentville; Hon. J. Fred Fraser, Halifax; Hon. E. M. McDonald, Pictou; D. J. L. McIsaac, Antigonish.

Earnings Record

Year	Paid-up Capital and Reserves	Net Profits*	Div. Rate	Rate Earned per sh.
	$	$	$	$
1931 ...	700,000	55,619	10	27.80
1932 ...	700,000	55,239	10	27.61
1933 ...	700,000	*46,902	10	23.45
1934 ...	800,000	57,043	10	28.52
1935 ...	800,000	54,781	10	27.39

*After deducting income tax reserve of $7,000.

Public Liabilities and Assets

	1935	*1934
	$	$
Guar. funds	863,911	859,482
Secured by assets:		
Liquid assets	814,725	832,584
Mortgages and int. .	49,186	26,898
Net cap. ac. assets	884,263	849,483
Total	1,748,174	1,708,965
Estates, etc.	5,740,938	5,694,062

Administration & Trust Co.

Administration and Trust Co., formed in 1902, with head office in Montreal, is controlled by well-known French Canadians. The bulk of the company's business is done in administration of estates, which at the end of 1935 totalled $33 millions.

Officers—Hon. Rodolph Lemieux, pres.; Count C. d'Anvers, vice-pres.; J. T. Leclerc, man. dir.; J. C. Brosseau, sec.; C. E. Campiche, chief controller.

Directors—Hon. Rodolph Lemieux, Count C. d'Anvers, M. Chevalier, Viscount de Roumefort, Sir Thos. Chapais, Hon. L. A. David, J. Sirois, L. S. St. Laurent, J. T. Leclerc, Hon. E. L. Patenaude, A. Raymond, Paul Amos, J. C. H. Dussault.

Branch Offices—Quebec, Winnipeg, Regina, Edmonton, Vancouver.

Shareholders' Position

	1935	1934
Rate earned per share .	% 11.6	12.2
Div. paid per share ..	% 8	8
Net profits	$ 58,009	60,807
P. & L. surplus	254,465	252,527
Reserves	248,653	233,558
Creditors' Position		
Deposits	$ 29,200	232,526
Secured by:		
Liquid assets	29,200	232,526
Capital acc. assets	1,598,260	1,587,801
Estates, etc.		
Est. under admin. ...	$32,978,505	31,592,102

British Canadian Trust Co.

British Canadian Trust Co., of Lethbridge, began operations in 1910, and has shown steady growth in the volume of assets under administration. British Canadian Finance, Ltd., is a subsidiary.

Officers and Directors—G. Lomas, pres.; R. R. Davidson, vice-pres.; H. D. Rood, mgr. and sec.; F. Horne, G. H. Roy, R. B. C. Thomson, J. S. Kirkham.

Earnings Record

Year	Paid-up Capital	Net Profits*	Div. Rate	Earned per sh.†
	$	$	$	$
1930	119,392	10,878	9	12.7
1931	130,392	6,006	6	4.6
1932	133,361	8,405	6	4.5
1933	133,457	7,237	3	5.4
1934	133,723	9,625	5	7.2

*After income tax.
†On average capital.

Creditors' Position

	1934	1933
	$	$
Trust funds	84,350	59,713
Secured by:		
Liquid assets	48,926	21,475
Mortgages	35,422	38,238
Capital ac. assets ...	216,300	214,485
Total	300,658	274,198
Estates, etc.	901,549	811,231

British Mortgage & Trust Corp. of Ont.

Incorporated in 1877, this company, with head office in Stratford, has a sound record. Most business is in guaranteed trust accounts and all mortgage loans are made in southwestern Ontario. The company maintains a substantial internal reserve

Officers—Hon. N. Monteith, pres.; J. W. Brown, vice-pres.; W. H. Gregory, man. dir.; W. P. Bradshaw, asst. mgr.

Directors—Hon. N. Monteith, J. W. Brown, T. Ballantyne, L. M. Johnston, C. E. Moore, W. H. Gregory, Dr. H. W. Baker.

Earnings Record

Year	Paid-up Capital and Reserves	Net Profits	Div. Rate	Rate Earned per sh.
	$	$	$	$
1931	1,825,000	138,356	*12	13.83
1932	1,825,000	126,052	12	12.60
1933	1,700,000	103,929	10	10.39
1934	1,825,000	83,766	8	8.37
1935	1,825,000	101,064	8	10.11

*Stock dividend of 25 per cent paid April 15, 1931.

Pub. Liabilities and Assets

	1935	1934
	$	$
Inv't. receipts & int.	3,294,360	3,271,043
Deposits	1,915,474	1,869,322
Total	5,209,834	5,140,365
Secured by assets:		
Liquid assets	879,879	651,270
Mortgages & int. ...	4,329,955	4,489,095
Net cap. acc. assets	1,847,594	1,851,905
Total	7,057,428	6,992,270
Estates, etc.	744,681	747,686

Brockville Trust

Brockville Trust and Savings Co. is one of the group of trusts operating in Ontario's provincial districts. All mortgages are held in that province. Originally incorporated as a loan company in 1885, it was granted trust company powers in 1929.

Profits, which amounted to $39,503 in 1935, have held fairly steady throughout the depression.

Officers—J. Gill Gardner, pres.; Adam Fullerton, vice-pres.; L. C. Dargavel, man. dir.; E. J. Smith, sec.-treas.

Directors—J. Gill Gardner, Adam Fullerton, F. H. Fulford, A. G. Parish, L. C. Dargavel, George T. Fulford, Hon. G. P. Graham, F. I. Ritchie, J. M. Dobbie, Hon. H. A. Stewart, Hon. A. C. Hardy, Brockville, Ont.

Earnings Record

Year	Paid-up Capital and Reserves	Net Profits*	Div. Rate	Rate† Earned per sh.
	$	$	$	$
1931	775,834	44,778	3.50	4.48
1932	735,000	42,611	3.50	4.26
1933	715,000	37,734	2.50	3.77
1934	715,000	42,703	2.50	4.27
1935	700,000	39,583	2.50	3.96

*After income tax.
†On paid-up capital. Par $50.

Pub. Liabilities and Assets

	1935	1934
	$	$
Inv't. certificates	251,192	227,810
Deposits	530,020	532,907
Total	781,212	760,717
Secured by assets:		
Liquid assets	209,758	218,094
Mortgages & int. ...	571,454	542,624
Net capital acct. assets	708,332	723,249
Total	1,489,544	1,483,967
Estates, etc.	558,791	505,848

Western Radio Output

During the past five years Manitoba has been progressing steadily in the production and sale of radio receiving sets, her proportion of the Dominion's purchases having risen during that time from 6.7 per cent to 13.1 per cent.

Can. Perm. Trust

Canada Permanent Trust Company, Toronto, controlled by Canada Permanent Mortgage Corp., is one of Canada's larger trusts. Earnings of the company, which was incorporated in 1913, have shown a steady rise over the past five years. In 1935, $9.93 a share on the company's stock was earned, $6 a share being paid out in dividends. At the end of 1935, total assets of $44.3 millions and estates and agencies under administration at $41.3 millions were at the highest figure in the company's history.

Officers—F. Gordon Osler, pres.; J. A. Rowland, 1st vice-pres. and gen. mgr.; E. D. Gooderham, 2nd vice-pres.; W. F. Watkins, sec.; R. Henderson, inspector of branches.

Directors—F. Gordon Osler, E. D. Gooderham G. H. Gooderham, C. S. Robertson, J. R. Lamb, J. A. Rowland, F. S. Corrigan, Toronto; G. W. Allan, Winnipeg; A. B. Campbell, Edinburgh.

Branch Offices—Toronto, Winnipeg, Vancouver, Halifax, Saint John, N.B., Edmonton, Woodstock, Ont., Brantford, Ont., Regina, Sask.

Earnings Record

Year	Paid-up Capital and Reserves	Net Profits*	Div. Rate	Rate Earned per sh.
	$	$	$	$
1931	1,400,000	75,012	6	7.50
1932	1,400,000	70,790	6	7.08
1933	1,400,000	72,929	6	7.29
1934	1,400,000	95,068	6	9.51
1935 ..	1,400,000	99,343	6	9.93

*After all expenses, charges and taxes.

Public Liabilities and Assets

	1935	1934
	$	$
Trust funds	1,454,651	1,561,758
Secured by assets:		
Liquid assets	896,818	893,709
Mortgages & int. ...	440,227	479,419
Net capital acc. assets	1,475,879	1,470,174
Total	4,267,575	2,843,302
Estates, etc.	41,296,304	35,116,332

Canada Trust

A wholly owned subsidiary of Huron and Erie Mortgage Corp., the Canada Trust Company, began business in 1894 under a Dominion charter. The head office of the company is at London, Ontario, with branches located in principal cities between Toronto and Vancouver. Total assets of $32.9 millions and guaranteed trust funds reached a peak in 1935. Earnings have been well maintained.

Officers—T. G. Meredith, chm. and pres.; H. E. Gates, vice-pres.; M. Aylsworth, gen. mgr.; D. McEachern, sec.; C. J. Clarke, treas.; H. W. Givins, supt. of Western branches; R. P. Baker, invest. exec.; R. H. Cronyn, asst. sec.

Directors—T. G. Meredith, chm.; V. P. Cronyn, H. E. Gates, J. E. McConnell, Morley Aylsworth, George H. Belton, Col. I. Leonard, Lieut.-Col. Claude Brown, T. W. McFarland, Lieut.-Col. A. C. Spencer, London; A. R. Bartlet, Windsor; J. B. Davidson, St. Thomas; W. H. Gardner, Winnipeg; John W. Hobbs, J. W. Spears, Toronto; S. J. Smith, Chatham; E. A. Wilson, Ingersoll.

Branch Offices—London, Ont. (4); Toronto, Hamilton, St. Thomas, Chatham, Windsor, Regina, Winnipeg, Edmonton, Victoria, and Vancouver.

Earnings Record

Year	Paid-up Capital and Reserves	Net Profits*	Div. Rate	Rate Earned per sh.
	$	$	$	$
1931	1,850,000	108,078	10	10.81
1932	1,850,000	100,830	10	10.08
1933	1,850,000	100,206	10	10.02
1934	1,750,000	100,407	10	10.04
1935	1,750,000	100,384	10	10.04

*After expenses of management and other charges, taxes, and making provision for actual losses.

Public Liabilities and Assets

	1935	1934
	$	$
Trust funds & int. ...	8,972,396	8,022,944
Secured by assets:		
Liquid assets	1,790,066	1,447,198
Mortgages and int. ..	7,182,319	6,575,746
Net capital ac. assets	1,793,028	1,792,643
Total	10,765,413	9,815,587
Estates, etc.	22,107,637	21,619,876

Capital Trust

Capital Trust Corp., with head office at Ottawa, has been in operation since 1913. Mortgage investments of the company are principally in Ontario.

In 1935, the company was appointed trustee for new bond issues of $6.5 millions. Branch offices are maintained in Toronto and Montreal.

Oficers—J. J. Lyons, pres.; A. E. Provost, W. M. Hackett, T. D'Arcy McGee; J. J. Seitz, vice-pres.; E. T. B. Pennefather, gen. mgr.; E. L. Parent, asst. gen. mgr.; J. J. Lyons, sec.

Directors—J. J. McFadden, W. J. Hussey, W. H. McAuliffe, Col. D. R. Street, A. J. Major, M. A. Mahoney, T. D'Arcy McGee, Hon. J. J. Donnelly, E. T. B. Pennefather, T. O'Connell, C. H. Labarge, J. J. Allen, W. H. Poupore, D. P. Cruickshank, Major F. D. Burpee.

Branch Offices—Toronto, Montreal.

Earnings Record

Year	Paid-up Capital and Reserves	Net Profits*	Div. Rate	Rate Earned per sh.
	$	$	$	$
1931	1,026,836	69,253	5	8.50
1932	1,037,524	42,076	5	5.24
1933	1,049,882	43,149	4	4.91
1934	1,066,717	42,979	3.	4.86
1935	1,084,235	45,342	3	5.13

†On average capital.
*After deducting management expenses and provision for taxes, but before amount written off equipment, etc.; and before reserve for accrued taxes in 1930 and 1931.

Pub. Liabilities and Assets

	1935	1934
	$	$
Trust certifs. & int. ...	3,575,748	3,628,299
Trust savings	2,038,721	1,926,044
Total	5,614,469	5,554,343
Secured by assets:		
Liquid assets	1,877,818	1,525,828
Mortgages & int. ...	3,736,652	4,028,515
Net cap. assets	1,026,942	1,018,530
Total	6,641,412	6,572,873
Estates, etc.	9,809,173	10,642,282

Chartered Trust

The Chartered Trust and Executor Co., Toronti, originally incorporated in 1905, has since taken over the Guardian Trust Co. and the Quebec Savings & Trust Co.. The company holds no mortgages on properties outside of Ontario, more than 96 per cent being in Toronto, and suburbs. A dividend of $1 a share was paid in January, 1936, the first since 1932. In intervening years all profits were retained within the company.

Officers—J. Y. Murdoch, pres.; W. S. Morden, vice-pres.; J. J. Gibson, vice-pres. and gen. mgr.; E. W. McNeill, sec.; F. McLaughlin, mgr. real estate dept.; F. W. Tolfield, Montreal branch mgr.

Directors—J. Y. Murdoch, W. S. Morden, J. J. Gibson, R. R. Corson, F. McLaughlin, Col. K. R. Marshall, E. W. Wright N. C. Urquhart, A. L. Ellsworth, Toronto; J. A. Martin, Kitchener; Lt.-Col. D. H. MacLaren, Barrie; E. K. Reiner, Guelph, Ont.; C. G. Greenshields, Montreal.

Branch Office—Montreal.

Earnings Record

Year	Paid-up Capital and Reserves	Net Profits*	Div. Rate	Rate Earned per sh.
	$	$	$	$
1931 ...	1,200,000	61,619	6	6.16
1932 ...	1,100,000	49,854	5	4.98
1933 ...	1,100,000	48,218	..	4.82
1934 ...	1,100,000	89,547	..	8.95
1935 ...	1,100,000	70,250	†1	7.03

*After reserve for taxes, depreciation write-off and amount on account of goodwill and interest of business acquired by Montreal branch.
†Paid Jan. 2, 1926.

Public Liabilities and Assets

	1935	*1934
	$	$
Inv't. certificates	1,464,634	901,629
Deposits	2,563,887	2,538,747
Total	4,028,521	3,440,376
Secured by assets:		
Liquid assets	3,226,880	2,518,529
Mortgages & int.	801,641	921,847
Net cap. ac. assets ..	1,215,120	1,174,871
Total	5,243,641	4,615,247
Estates, etc.	19,889,193	20,052,010

Central Trust Co. of Canada

Incorporated in 1920, this company has head office at Moncton, N.B. Capital is not large, but earnings have been more than sufficient to meet the six per cent dividend. Branches are maintained in Saint John, N.B., and Woodstock, N.B.

Officers—Dr. R. C. Tait, pres.; H. M. Wood, vice-pres.; Hon. F. Magee, vice-pres.; J. F. H. Teed, vice-pres.; E. H. Ritcey, asst. sec. and mgr.; Hon. E. A. Riley, sec.-treas.

Branch Offices—Saint John, N.B.; Woodstock, N.B.

Officers and Directors—Dr. C. Tait, pres.; Hon. Fred Magee, H. M. Wood, J. F. H. Teed, vice-pres.; Hon. Dr. E. A. Reilly, sec.-treas.; E. H. Ritcey, asst. sec. and mgr.

Branch Offices—Fredericton, N.B., Saint John, N.B., Woodstock, N.B.

Year	Paid-up Capital*	Estates under Administration	Undivided Profits	Div. Rate
	$	$	$	%
1931	100,200	3,283,730	45,999	6
1932	100,200	3,518,399	49,239	6
1933	100,200	3,311,412	28,793	6
1934	100,200	3,964,637	29,064	6
1935	100,200	3,761,948	31,714	6

*Not including $150,300 capital subscribed but not called.

Community Trusts Corp.

Community Trusts Corp., with head office in Chatham, Ont., was incorporated in 1928. The company has shown steady growth, although it is still relatively small. Earnings in 1935 were more than twice dividend requirements.

Officers—P. S. Coate, pres. and man. dir.; S. Stone, vice-pres.; J. A. McCallum, sec.-treas.

Directors—P. S. Coate, A. Park, S. M. Glenn, C. Austin, W. E. Rispin, W. G. Richards, Spencer Stone.

Earnings Record

Year	Paid-up Capital	Net Profits	Div. Rate	Rate Earned per sh.
	$	$	$	$
1931	118,150	7,347	2.50	3.10
1932	118,150	7,803	2.50	3.30
1933	118,650	7,207	2.50	3.05
1934	118,650	10,225	2.50	4.31
1935	118,650	12,242	2.50	5.15

Pub. Liabilities and Assets

	1935	1934
	$	$
Inv't. certif.	45,841	28,421
Trust deposits	84,988	90,529
Total	130,829	118,950
Secured by:		
Liquid assets	43,504	37,109
Mortgages & int. ...	87,326	81,841
Net cap. ac. assets	136,063	130,564
Total	266,893	249,514
Estates, etc.	823,904	657,968

Crown Trust Co.

The Crown Trust Company, Montreal, was incorporated 27 years ago, and is known as a conservative, well-managed organization. Principal business is in administration of estates, trusts and agencies; mortgage holdings are relatively small. Profits have hovered about the $70,000 mark for the past four years. Dividends are paid at $7 a share.

Directors—W. I. Gear, pres.; A. Lyman, vice-pres.; J. Jenkins, vice-pres.; G. W. Birks, A. H. Campbell, A. O. Dawson, H. B. Henwood, J. A. Mann, E. C. Pratt, I. P. Rexford, J. G. Ross, J. W. Ross, A. Wainwright, A. B. Wood, P. R. Walters.

Officers—I. P. Rexford, gen. mgr.; W. H. Jackson, asst. mgr.; Wm. F. Brass, mgr.; real estate dept.; J. G. McKay, sec.; J. H. Hobbs, asst. sec.; A. S. K. Stitt, asst. sec.

Earnings Record

Year	Paid-up Capital and Reserves	Net Profits*	Div. Rate	Rate Earned per sh.
	$	$	$	$
1931	1,400,000	60,908	7	6.09
1932	1,400,000	71,264	7	7.13
1933	1,400,000	71,672	7	7.17
1934	1,400,000	72,515	7	7.25
1935	1,400,000	70,319	7	7.03

*Taxes deducted.

Creditors' Position

	1935	1934
	$	$
Deposits	361,030	381,630
Secured by:		
First mtge. loans ...	361,030	381,630
Net capital ac. assets	1,443,406	1,443,085
Total	1,804,436	1,824,715
Estates, etc.	25,517,366	23,586,660

Montreal Tramways Co. To Try Out Trolley Buses

From Our Own Correspondent

MONTREAL. — Montreal Tramways Co. will call shortly for tenders on six trackless trolley buses, the building of which will involve an expenditure of approximately $250,000. While plans are not definite, it is likely the chassis will be imported, but the bodies will be built by one or other of the Canadian equipment companies.

The plan to run trackless trolley buses has been in mind for some time.

Eastern Trust Co.

In business since 1893, the Eastern Trust Co. of Halifax, is one of the larger Maritime companies in this field. Mortgages held by the company are on properties in Quebec and the Maritimes.

Earnings have been well-maintained, and in the past two years have been substantially above the $8 a share paid in dividends.

Officers—Hon. F. B. McCurdy, pres.; T. F. Tobin and F. P. Starr, vice-pres.; F. H. M. Jones, gen. mgr.

Directors—Hon. F. B. McCurdy, T. F. Tobin, H. R. Cockfield, Hon. R. G. Beazley, A. J. Campbell, A. L. Chipman, A. K. Cameron, H. J. Hague, J. C. MacKeen, J. MacNeil, Hon. C. W. Robinson, J. McG. Stewart, F. P. Starr, C. W. Stairs, D. C. Sinclair, H. R. Silver, Hon. J. C. Tory, J. H. Winfield, Col. Hon. J. L. Ralston.

Branch Offices — Montreal, Saint John, Moncton Charlottetown, St. John's, Nfld.

Earnings Record

Year	Paid-up Capital and Reserves	Net Profits*	Div. Rate	Rate Earned per sh.
	$	$	$	$
1931	1,200,000	84,393	8	8.43
1932	1,200,000	80,533	8	8.05
1933	1,200,000	80,336	8	8.04
1934	1,225,000	105,530	8	10.56
1935	1,250,000	105,391	8	10.54

*Less tax reserves, directors' fees and amounts written off.

Pub. Liabilities and Assets

	1935	1934
	$	$
Deposit certificates ...	5,807,244	5,165,040
Secured by:		
Liquid assets	4,194,612	3,501,646
Mortgages	1,612,632	1,663,394
Net capital assets ..	1,273,515	1,248,123
Total	7,080,759	6,413,163
Estates, etc.	49,377,960	46,445,331

Fidelity Trusts Co. of Ontario

Fidelity Trust Co. of Ontario, with head office at Niagara Falls, Ont., is a relatively small institution. Profits have been light in recent years, but investment reserve has shown yearly increases.

Officers—F. H. Leslie, pres.; L. Blake Duff, vice-pres.; J. W. Butters, man. dir. and sec.

Directors—F. H. Leslie, J. W. Butters, L. B. Duff, A. B. Damude, Dr. G. B. Snyder, F. J. Bearss, R. M. Gay, C. T. Houck.

Earnings Record

Year	Paid-up Capital and Reserves	Net Profits	Div. Rate	Rate Earned per sh.*
	$	$	$	$
1931	228,329	6,517	..	3.42
1932	227,997	....	..	...
1933	235,200	2,518	..	1.32
1934	230,877	3,929	..	2.06
1935	233,794	5,890	..	3.10

*On basis of paid-up capital of $190,200.

Pub. Liabilities and Assets

	1935	1934
	$	$
Inv't. certifs.	16,193	16,009
Deposits	131,994	126,481
Total	148,187	142,490
Secured by:		
Liquid assets	74,872	80,750
Mortgages & int. ...	85,015	68,049
Net cap. ac. assets ..	228,567	228,566
Total	388,454	377,356
Estates, etc.	518,387	355,349

General Trust & Executor Co.

This company, with head office at Halifax, was established in 1929 under Nova Scotia charter. Although the company is relatively small, profits have been satisfactory. It has had no foreclosures on mortgages since incorporation.

Officers and Directors—H. W. Phinney, pres.; E. L. MacDonald and J. McConnell, vice-pres.; J. R. Machum, mgr. and sec.; G. McL. Daley, Hon. F. R. Davis, G. B. Isnor, R. J. MacAdam, F. H. Manning, C. S. Morton, W. D. Piercecy, W. R. Powell, C. L. Sanderson, L. E. Shaw, H. Oxley, Lt.-Col. S. C. Oland, A. D. Smith, J. T. Cumming.

Earnings Record

Year Feb. 28	Paid-up Capital	Net Profits†	Div. Rate	Rate Earned
	$	$	%	%
1931	173,899	3,458	...	1.9
1932	220,370	9,810	...	4.4
1933	229,829	10,038	...	4.3
1934	236,934	10,064	...	4.2
1935	252,300	11,703	2	4.8

Creditors' Position

	1935	1934
	$	$
Inv't. certificates	172,258	157,973
Deposits	2,107	1,279
Total	174,365	159,252
Secured by:		
Liquid assets	282	3,657
Mortgages	174,083	155,595
Net capital assets ...	282,095	278,784
Total	456,460	438,036
Estates, etc.	459,466	452,781

General Trust Co. of Canada

General Trust Co. of Canada is one of the larger Quebec trusts with head office in Montreal. In good liquid condition, most of the company's business is in estates and agencies under administration. Earnings have been well maintained.

Officers—Hon. J. M. Wilson, pres.; Hon. D. O. L'Esperance and Beaudry Leman, vice-pres.; Rene Morin, gen. mgr. and sec ; L. Trottier, treas.

Directors—Hon. J. M. Wilson, Hon. D. O. L'Esperance, Beaudry Leman, L. J. Adjutor Amyot, J. Beaubien, L. E. Beaulieu, A. Terroux, A. N. Drolet, Sir J. G. Garneau, E. Guimont, Mendoza Langlois, Hon. J. Nicol, Hon. J. E. Perrault, Hon. Donat Raymond, L. G. Ryan, Hon. G. A. Simard, C. E. Taschereau, C. Laurendeau.

Earnings Record

Year	Paid-up Capital	Net Profits	Div. *Rate	Rate Earned per sh.
	$	$	$	$
1931	1,105,000	99,675	6.00	9.06
1932	1,105,000	85,574	6.00	7.78
1933	1,105,000	87,607	6.00	7.97
1934	1,105,000	69,743	6.00	6.34
1935	1,105,000	71,978	6.00	6.51

Capital stock consists of $1,100,000 and $5,000 common.
*On preferred.

Pub. Liabilities and Assets

	1935	1934
	$	$
Guar. accounts	1,315,595	1,415,545
Secured by assets:		
Liquid assets	1,315,595	1,415,545
Net capital ac. assets	1,288,923	1,291,887
Total	2,604,518	2,707,432
Estates, etc.	42,066,104	39,259,062

B. C. Payrolls

At a conservative estimate the industrial pay roll of British Columbia for last year is placed by the Department of Labor at about $128,000,000, a gain of more than ten per cent from 1934.

Grey & Bruce Trust & Savings Co.

Grey and Bruce Trust and Savings Co., Owen Sound, has had a record for sound, conservative management since 1887. The company's guaranteed trust accounts have shown considerable increase during the past few years.

Officers—C. A. Fleming, pres.; W. S. Middleboro, 1st vice-pres.; James Gardner, 2nd vice-pres.; O. E. Manning, gen. mgr.; W. M. Telford, sec.-treas.

Directors—C. A. Fleming, W. S. Middleboro, Dr. A. L. Danard, G. D. Fleming, James Gardner, Dr. G. H. Holmes, Dr. R. Howey, George J. Mills, G. D. McLaughlan, W. H. Taylor, O. E. Manning, E. N. Cooper.

Earnings Record

Year	Paid-up Capital and Reserves	Net Profits*	Div. Rate	Rate Earned per sh.
	$	$	%	%
1931 ...	633,165	40,904	6	7.70
1932 ...	636,605	34,204	4	6.28
1933 ...	637,103	35,833	4	6.58
1934 ...	637,678	45,558	4	8.37
1935 ...	637,678	41,671	4	7.66

Par value of stock $50.
*After reserve for taxes.

Public Liabilities and Assets

	1935	*1934
	$	$
Inv't. certificates	876,153	774,330
Deposits, etc.	861,755	668,271
Total	1,737,908	1,442,601
Secured by:		
Liquid assets	934,013	697,971
Mortgages & int.	803,895	744,630
Net cap. ac. assets ..	689,144	685,278
Total	2,427,052	2,127,879
Estates, etc.	616,804	620,262

Guaranty Trust Co. of Canada

One of the younger trusts, this company secured a Dominion charter in 1925 and was registered as a trust company in Ontario in the following year. Earnings have been well maintained. Head office is in Windsor, Ont., and executive offices in Toronto.

Officer — E. Blake Winter, pres.; A. F. Healy, chm. of board; W. D. Roach, E. M. Proctor and T. W. Whiteside, vice-pres.; J. W. Berry, gen. mgr. and sec.-treas.

Directors—A. F. Fuerth, W. N. Gatfield, A. F. Healy, F. A. Hough, E. C. Kenning, R. Maisey, E. B. Winter, T. W. Whiteside, W. D. Roach, J. W. Berry, B. T. Riordon, J. M. Hays, E. M. Proctor.

Earnings Record

Year	Paid-up Capital and Reserves	Net Profits*	Div. Rate	Rate Earned per sh.
	$	$	$	$
1930	137,732	16,975	7	16.50
1931	142,857	13,960	7	13.57
1932	147,854	15,698	7	15.26
1933	176,909	14,378	7	11.49
1934	186,589	13,597	7	10.39

*After deducting provisions for taxes.

Pub. Liabilities and Assets

	1935	1934
	$	$
Inv't. certifs.	266,976	221,870
Deposits	73,168	46,586
Total	340,144	268,456
Secured by:		
Liquid assets	132,358	74,672
Mortgages & int. ...	207,786	193,784
Capital ac. assets ...	187,668	177,016
Total	527,811	445,472
Estates, etc.	3,182,610	3,115,406

Osler & Nanton Trust Co.

Osler & Nanton Trust Co., of Winnipeg, is controlled by Osler, Hammond & Nanton, Ltd. No earnings statement is available.

Directors—H. F. Osler, pres.; C. M. Taylor, vice-pres.; E. A. Nanton, H. Ford, C. F. Joyce.

Year End. June 30:	1935	1934
	$	$
Capital	650,000	650,000
Reserves	130,759	127,961
Capital assets	939,382	936,905
Estates, etc.	3,904,419	3,866,257
Total assets	4,843,800	4,803,163

Paid-up capital stock is entirely controlled by Osler, Hammond & Nanton, who are the general managers.

Nova Scotia Trust

Nova Scotia Trust Co., Halifax, was incorporated under provincial charter in 1912. Mortgage investments are entirely confined to Nova Scotia.

Officers and Directors—M. S. Clarke, pres.; B. P. Saunders, vice-pres.; T. W. Murphy, vice-pres.; R. W. Elliot, man. dir.; G. R. Harrison, sec.; C. W. Anderson, Wm. Chisholm, R. A. Corbett, Hon. W. H. Dennis, G. E. Graham, L. A. Lovett, G. H. Murphy, J. A. Young, Lt.-Col. A. N. Jones.

Shareholders' Position

Yr. ending Feb. 28:	1935	1934
	$	$
Rate earn. per sh. ...	12.13	11.73
Divs. paid per sh. ...	7.00	7.00
Net profits	57,581	55,693
P. & L. surplus	15,958	13,339
Creditors' Position		
Certif. & deposits ...	1,363,692	1,353,292
Secured by:		
Liquid assets	99,330	116,446
Mortgages	1,264,362	1,236,846
Cap. ac. assets	660,658	648,040
	2,024,350	2,001,332
Estates, etc.	6,211,821	5,751,498

CONTINGENCIES . . . .
The Corporation and Individual Provides for

The business of this Company grows with the development of business in the territory it serves and the progress of its clients. It is only natural, therefore, that this Company should be eager to co-operate to the fullest extent possible by faithful services to progressive individuals and firms. The Central Trust Company of Canada by its policies and methods of operation—by its record in the investment and administration of trust funds—by its declared intention to continue its long career as an independent Trust Company—assures, as far as is humanly possible, that the Estates, business of responsible corporations, firms and individuals entrusted to it will be ably administered with full satisfaction to heirs and beneficiaries.

The Central Trust Company of Canada
Head Office: Moncton, N.B.
Branches: Fredericton, N.B.; Woodstock, N.B.; Saint John, N.B.
DR. R. C. TAIT, President. HON. FRED MAGEE, Vice-President. HON. DR. E. A. REILLY, K.C., Secretary.

Children Are A Full Time Job
If you have a wife and children don't ask your wife to act as Executrix of your will. Name this Trust Company your Executor.
Crown Trust Company
EXECUTORS TRUSTEES
FINANCIAL AGENTS
William I. Gear, President.
John Jenkins, Vice-Pres. Arthur Lyman, Vice-Pres.
Irving P. Rexford, General Manager.
393 St. James Street West - Montreal

THE WATERLOO TRUST AND SAVINGS COMPANY
Capital and Reserves $1,400,000.00
Assets $15,000,000.00
DIRECTORS
E. F. SEAGRAM, President,
President, Merchants Casualty Insurance Company
Vice-President, The Dominion Life Assurance Company
FORD S. KUMPF, Vice-President
President, The Dominion Life Assurance Company
LOUIS L. LANG, Vice-President,
President, The Lang Tanning Company Limited
Vice-President, The Mutual Life Assurance Company of Canada
R. O. McCULLOCH,
President, The Mutual Life Assurance Company of Canada
Director, Imperial Bank of Canada.
THOS. W. SEAGRAM,
Director, Merchants Casualty Insurance Company
HENRY KNELL,
Vice-President, Economical Mutual Fire Insurance Company
THOS. HILLIARD,
Director, The Dominion Life Assurance Company
GEORGE A. DOBBIE,
President, Stauffer Dobbie Company Limited
Vice-President, The Dominion Life Assurance Company
P. R. HILBORN,
President, The Preston Furniture Company
H. J. SIMS, K.C.,
Solicitor to The Mutual Life Assurance Company of Canada
W. H. SOMERVILLE,
General Manager, The Mutual Life Assurance Company of Canada
W. L. HILLIARD, M.D.,
Medical Director, Ontario Equitable Life Insurance Company
FRED HALSTEAD,
Special Agent
P. V. WILSON, Managing Director
Director, Merchants Casualty Insurance Company.
Equipped to act in all trust capacities
WATERLOO KITCHENER GALT PRESTON

1855
1936
Head Office
TORONTO, ONT.
COR. ADELAIDE
AND BAY STREETS
SERVICES in SAVINGS
MORTGAGES
DEBENTURES
TRUSTS and ESTATES

BRANCHES from COAST to COAST

CANADA PERMANENT MORTGAGE CORPORATION

FOR 81 YEARS
"CANADA PERMANENT" has had and fully merited the confidence of many thousands of investors, no one of whom has at any time in that long period experienced the slightest delay in the receipt of funds to which he was entitled.

FOR 81 YEARS
"CANADA PERMANENT" has not only effectually safeguarded, but has been of material assistance in increasing the savings of prudent and thrifty citizens.

FOR 81 YEARS
"CANADA PERMANENT" has been a growing asset to Canada and the Safe Depository for Savings.

TRUST SERVICES
The Canada Permanent Trust Company, under the same direction as the Mortgage Corporation, acts as Executor . . . Trustee . . . Administrator . . . Stock Transfer Agent and Registrar . . . Attorney for Executors and Trustees . . . and Custodian of Securities. Undertakes Investments . . . Collections . . . and Real Estate Management.

The Company's Safety Deposit Vaults, the most modern in Canada, provide absolute security for valuable papers at very low annual rentals.

Confidential Consultations Invited

Directors: President — F. Gordon Osler; First Vice-President — John A. Rowland, K.C.; Second Vice-President — E. D. Gooderham; George W. Allan, K.C., Winnipeg; A. B. Campbell, W.S., Edinburgh; F. S. Corrigan; John R. Lamb; Charles S. Robertson; George H. Gooderham; Roy L. Warren.

THE CANADA PERMANENT TRUST COMPANY
Branches
Halifax, Saint John, Woodstock, (Ont.), Brantford, Toronto, Winnipeg, Regina, Edmonton, Vancouver

Community Trusts Corporation
CHATHAM, ONTARIO
Chartered in 1928 Tel. 429-945

Executor and Trustee Under Wills
Administrator and Guardian of Estates
of Minors
Savings Department
Management of Real Estate
and General Trust Business

P. S. COATE, *President & Managing Director*
J. A. McCALLUM, *Secretary-Treasurer*
DIRECTORS:
P. S. Coate Arch. Park S. M. Glenn Charles Austin
W. E. Rispin Spencer Stone W. G. Richards, K.C.

GUELPH and ONTARIO
Investment and Savings Society
Incorporated A.D. 1876
Deposits Received **Debentures Issued**
J. R. HOWITT, K.C. *President* J. M. PURCELL *Managing Director*
***Head Office:* GUELPH, ONTARIO**

THE GUELPH TRUST CO.
W. E. PHIN, *President*
is under the same management and acts as Executor, Administrator, Trustee, etc.
***Head Office:* GUELPH, ONTARIO**

Westminster Trust Company
Offers to Firms and Individuals

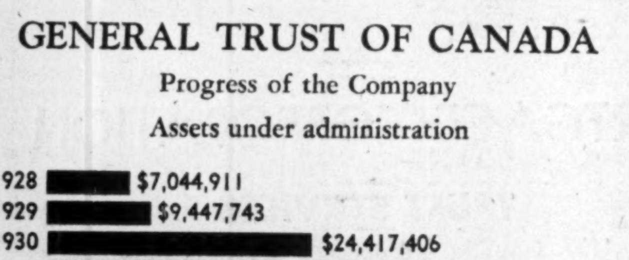
. . . . a complete Trust Company service, through its Trust — Real Estate — Investment — Insurance — Savings and Safe Deposit Departments — a service founded on years of experience in the management of Personal and Corporate Trusts —
HEAD OFFICE
NEW WESTMINSTER, B.C.

The Grey & Bruce Trust & Savings Co.
Owen Sound, Ont.

Paid up Capital and Reserves $ 689,143.73
Total Assets 3,051,366.51

President
C. A. FLEMING, F.C.A.
Vice Presidents
W. S. MIDDLEBRO, K.C. JAMES GARDNER
Managing Director
O. E. MANNING
Established 1889

GENERAL TRUST OF CANADA
Progress of the Company
Assets under administration



Hon. J. M. Wilson, *President*
Hon. D. O. L'Espérance, Beaudry Leman,
Vice-Presidents
René Morin, *General Manager*.
112 St. James Street West - - - Montreal

THE TORONTO MORTGAGE CO.
13 TORONTO STREET, TORONTO
THOMAS H. WOOD, President A. M. M. KIRKPATRICK, Vice-President
WALTER GILLESPIE, Manager
Present Cash Value of Total Assets - - - $5,213,200.00
Surplus, Over all Liabilities to Public - - - $2,302,700.00
2½% *Allowed on Savings Deposits, Withdrawable by Cheque.*
3½% *Paid on Debentures in all Denominations for two to five years.*
LEGAL INVESTMENT FOR TRUST FUNDS
First Mortgage Money to loan on modern solid brick dwellings, in good residential districts. Prompt service.

Trust Companies (Continued)

Guardian Trust

Although incorporated as recently as 1930, Guardian Trust Co. then took over an established trust business which had been in operation from 1897. Head office is in Montreal.

Officers—R. Stanger, pres.; S. Stanger, vice-pres. & sec.; J. B. Frosst, vice-pres.; P. A. Pinck, treas.

Directors—R. Stanger, S. Stanger, J. B. Frosst, H. Braff, J. H. Holden, H. W. Reynolds, C. W. Webster, P. S. Ross, J. O. Harris, S. C. Carpenter, P. A. Pinck.

Shareholders' Position

	1935 $	1934 $
Rate earned per sh. ...	3.10	2.61
Divs. paid per sh.* ...	4.00	4.00
Net profits	3,850	3,239
P. & L. surplus	7,212	6,309

*Dividends accruing to president and vice-president on majority of paid-up capital and all of partly paid.

Creditors' Position

	1935	1934
Inv't. certifs.	10,140	4,340
Trust funds	10,200	14,750
Total	20,340	19,090
Secured by:		
Liquid assets	10,140	4,340
Mortgages	10,200	14,750
Net capital assets ..	144,600	135,387
	164,940	154,477
Estates, etc.	6,531,034	5,670,400

Guelph Trust Co.

Guelph Trust Co., a subsidiary of Guelph and Ontario Investment and Savings Society, was established in 1817.

Earnings are usually in the neighborhood of $30,000—comfortably covering the $2.50 a share dividend. During 1935, estates under administration increased by well over $1 million to $2.5 millions.

Officers—W. E. Phin, pres.; R. L. Torrance, 1st vice-pres.; J. R. Howitt, 2nd vice-pres.; J. M. Purcell, man. dir.

Directors—W. E. Phin, R. L. Torrance, J. R. Howitt, J. R. Phin, J. J. Shaw, J. M. Purcell, J. Armstrong, G. A. Forbes.

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits $	Div. *Rate $	Rate† Earned per sh. $
1931	441,850	30,264	2.50	5.02
1932	451,850	31,496	2.50	5.23
1933	461,850	29,830	2.50	4.95
1934	461,850	30,813	2.50	5.10
1935	461,850	28,406	2.50	4.72

*Less taxes. †Par value of stock $50.

Pub. Liabilities and Assets

	1935 $	1934 $
Trust funds	526,505	527,411
Secured by:		
Liquid assets	22,881	16,942
Mortgages & int.	503,624	510,469
Net capital ac. assets	492,996	489,640
Total	1,019,501	1,017,051
Estates, etc.	2,536,834	1,421,830

The Industrial Mortgage & Trust Co.

Originally incorporated as a building society in 1887, Industrial Mortgage & Trust Co secured trust company powers but a few years ago. Most depositors and certificate holders are in the area in which the company has mortgage loans, chiefly in Lambton, Middlesex, Huron and Perth counties in Ontario. Head office is in Sarnia.

The company is taking over the business of Crown Savings & Loan Co. of Petrolia.

Officers—J. Cowan, pres.; M. McGugan, 1st vice-pres.; J. McFarlane, 2nd vice-pres.; W. R. Paul, man. dir.; B. Charlton, asst. mgr.

Directors—J. Cowan, M. McGugan, J. McFarlane, J. H. Anderson, W. J. Skinner, W. R. Paul, J. P. MacVicar, A. R. McKay, H. Lockhart, T. F. Cairns.

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits $	Div. Rate $	Rate Earned per sh. $
1931	1,215,000	58,271	4.50	4.58
1932	1,215,000	50,461	4.00	3.97
1933	1,165,000	15,658	2.50	1.23
1934	1,165,000	15,024	2.50	1.18
1935	1,065,000	32,141	2.50	2.53

Pub. Liabilities and Assets

	1935 $	1934 $
Inv't. certifs.	1,952,383	1,905,162
Deposits	1,026,726	985,262
Total	2,979,109	2,890,424
Secured by:		
Liquid assets	1,012,076	659,108
Mortgages & int. ...	2,164,808	2,230,010
Other net assets	989,847	1,051,457
Total	4,166,731	3,940,575

Lambton Trust Co.

Subsidiary of Canada's oldest loan company, Lambton Loan and Investment Co., Lambton Trust Co. began business in 1928. Business consists exclusively of the management of estates, trusts and agencies. Activities are largely confined to Sarnia, where head office is located, and the surrounding district. Dividends have been paid since 1932.

Officers—N. S. Gurd, pres.; Col. R. Mackenzie, vice-pres.; J. M. Hunt, mgr.

Directors—N. S. Gurd, Col. R. Mackenzie, C. H. Belton, A. J. Johnston, all of Sarnia; A. G. Minielly, Watford; R. M. E. McDiarmid, Alvinston; I. Greenizen, Petrolia.

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits $	Div. Rate %	Rate† Earned per sh. %
1931	210,500	10,275	...	3.21
1932	211,000	10,341	2.50	3.21
1933	211,000	‡7,720	2.00	2.40
1934	211,000	10,928	2.00	3.39
1935	211,000	8,897	2.00	2.76

†On paid-up capital. Par $50. ‡Less income tax, year 1932, $1,424.

Capital Account Net Assets

	1935 $	1934 $
Liquid assets	29,827	26,912
Mortgages & int.	199,829	200,662
Total	229,656	227,574
Estates, etc.	333,516	330,938

Prudential Trust Co., Ltd.

Prudential Trust Co. Ltd., of Montreal, began business in 1910 with a federal charter. In 1930 the capital structure was reorganized and previous losses written off, and in 1934, $175,270 was transferred to surplus on the reduction of capital stock to $10 a share. Business consists chiefly in administration of estates, trusts and agencies.

Officers—B. H. Brown, pres. and gen. mgr.; P. Galibert, vice-pres.; F. S. Taylor, mgr.; A. Hall, sec.-treas.

Directors—H. N. Chauvin, chm. of board; P. Galibert, Hon. F. Carrel, G. G. Hyde, G. H. Cook, Dr. E. M. Desaulniers, W. D. Robb, B. H. Brown, Hon. A. R. Gould, D. J. Spence.

Shareholders' Position

	1935 $	1934 $
Rate earn. per sh. ...	......	0.24
Net profits	*14,485	4,176
P. & L. surplus	95,356	109,841

*Loss.

London & Western Trusts

Organized in 1896, London & Western Trusts Co. became a nation-wide institution in 1929 when it acquired Standard Trust Co. The office at Saskatoon was reopened and the Windsor branch extended in 1935. Head office is in London, Ont.

Officers—Ronald Harris, chm. of board; Rt. Hon. Arthur Meighen, pres.; Ray Lawson and G. C. Gunn, vice-pres's.; John S. Moore, gen. mgr.

Directors—Ronald Harris, Rt. Hon. Arthur Meighen, Ray Lawson, G. C. Gunn, John S. Moore, G. H. Aikins, G. Montagu Black, Winnipeg; Brig.-Gen. J. A. Clark, Gordon Farrell, H. R. MacMillan, Major-Gen. J. W. Stewart, Vancouver; W. L. Duffield, Major G. Ingram, Judge Talbot Macbeth, A. McPherson, J. McClary Moore, J. E. Smallman, London, Ont.; W. P. Fess, Toronto; George Mair, Windsor, Ont.; W. G. Fisher, E. W. Kneeland, Philip Pocock, Col. G. E. Reid, Sigmund Samuel, J. G. Thompson.

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits* $	Div. Rate $	Rate Earned per sh.† $
1931	2,037,040	108,372	8½	9.20
1932	1,614,240	44,143	6½	3.64
1933	1,614,240	14,332	..	‡1.18
1934	1,614,240	16,604	..	‡1.37
1935	1,614,240	35,557	..	‡2.93

†On average capital. ‡On paid-up capital. *After deducting expenses of management, taxes, etc. Also income tax reserve amounting to $4,500 in 1935; $6,375 in 1934; $4,600 in 1933; $9,500 in 1932; $13,200 in 1931.

Public Liabilities and Assets

	1935 $	1934 $
Inv't. funds	2,229,954	2,295,482
Secured by:		
Liquid assets	536,446	562,318
Mtges., agree., etc. ..	1,693,508	1,733,164
Net cap. ac. assets ..	2,057,042	2,021,484
Total	4,286,996	4,316,966
Estates, etc.	36,558,620	34,993,735

Maritime Trust Co.

Maritime Trust Co., Saint John, N.B., is one of the younger Maritime trusts. A branch is maintained in Fredericton, and agencies in Charlottetown and Summerside

Officers—H. P. Robinson, pres.; F. C. Beatteay, vice-pres.; P. G. Clark, vice-pres.; H. C. Wilson, mgr.

Directors—W. C. Allison, F. C. Beatteay, J. B. Dever, C. F. Inches, J. MacMurray, J. D. McKenna, A. N. McLean, R. H. McLean, A. P. Paterson, H. P. Robinson, all of St. John; Hon. F. B. Black, Hon. A. B. Copp, Sackville, N.B.; W. W. Boyce, L. S. Morrison, J. A. Reid; J. J. F. Winslow, Fredericton, N.B.; P. G. Clark, H. T. Holman, Summerside, P.E.I.; G. P. Burchill, South Nelson, N.B.; H. A. Carr, Campbellton, N.B.; W. F. Fraser, New Glasgow, N.S.; Hon. G. B. Jones, Apohaqui, N.B.; E. W. Mair, Woodstock, N.B.; N. M. Mills, St. Stephen, N.B.; F. M. Ross, W. C. Pitfield, Montreal; G. J. Tweedy, R. E. Mutch, Charlottetown, P.E.I.; H. O'Leary, Richibucto, N.B.; F. R. Sumner, Moncton, N.B.

Earnings Record

Year	Paid-up Capital $	†Net Profits $	Div. Rate* $	Rate Earned* $
1931	135,100	4,709	..	1.74
1932	135,100	5,570	..	2.06
1933	135,100	5,963	..	2.19
1934	135,100	6,462	1.50	2.38
1935	136,100	7,487	2.00	2.75

*On subscribed capital, half of which is paid up.
†After income tax reserve.

Capital Account Net Assets

	1935 $	1934 $
Liquid assets	171,470	170,114
Other assets	150,819	149,819
Total	322,289	319,933
Estates, trusts, etc. ...	2,689,562	2,679,660

Montreal Trust Co.

Montreal Trust Co. is one of the largest companies in this field in the Dominion. Management interests are associated with the Royal Bank of Canada. Revenue is largely derived from commissions on trust business. In addition to branches across Canada, an office is maintained in London, England.

At the end of 1935, total assets were $836.6 millions, of which $811.4 millions represented estates, trusts and agencies under administration.

Officers—Sir Herbert Holt, pres.; Hon. A. J. Brown, vice-pres.; F. G. Donaldson, gen. mgr.; W. S. Greene and J. P. Angus, asst. gen. mgrs.

Directors—Sir Herbert Holt, Hon. A. J. Brown, R. Adair, J. E. Aldred, G. Caverhill, W. H. Coverdale, Hon. R. Dandurand, F. G. Donaldson, G. H. Duggan, A. E. Dyment, G. W. MacDougall, C. H. Carlisle, A. D. MacTier, Hon. G. W. Scott, J. S. Norris, Hugh Paton, F. W. Ross, J. C. Smith, Hon. Smeaton White, M. W. Wilson, P. F. Sise, W. F. Angus, A. P. Holt, J. C. Newman, H. Crabtree.

Executive Committee — Sir Herbert Holt, Hon. A. J. Brown, G. Caverhill, M. W. Wilson, G. H. Duggan, F. G. Donaldson.

Branch Offices—Halifax, Toronto, Winnipeg, Edmonton, Vancouver, London, Eng.

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits* $	Div. Rate %	Rate Earned %
1931	4,500,000	554,723	17	27.7
1932	4,500,000	464,311	17	23.2
1933	4,500,000	354,653	16	17.7
1934	4,500,000	388,685	16	19.4
1935	5,000,000	395,908	16	19.8

*Tax reserve and subscription to hospital deducted.

Creditors' Position

	1935 $	1934 $
Trust funds	15,807,348	17,020,930
Secured by assets:		
Liquid assets	15,807,348	17,020,930
Capital acc. assets	5,111,431	5,045,524
Total	20,918,779	22,066,454
Estates, etc.	811,424,729	803,436,202

National Trust Co.

National Trust Co., incorporated in Ontario in 1898, ranks in the first five Canadian trusts. In addition to branches located in the principal cities of the Dominion, an office is maintained in London, England.

Total assets of the company are $273 millions, of which $244 millions is in estates, trusts and agencies under administration. The bulk of public liabilities is in the form of deposits, which at the end of 1935 totalled more than $18 millions.

Officers—Sir Joseph Flavelle, chm. of board; W. E. Rundle, pres.; E. R. Wood, Herbert C. Cox, Leighton McCarthy, Rt.-Hon. Sir Thomas White, vice-pres.; J. M. Macdonnell, gen. mgr.; J. C. Breckenridge, gen. supt.; F. R. MacKelcan, counsel Corporate Trust dept.; W. M. O'Connor, mgr. Toronto office; W. G. Davidson, sec.; C. Huckvale, treas.

Directors—Sir Joseph Flavelle, W. E. Rundle, E. R. Wood, Herbert C. Cox, E. M. Saunders, Sir John Aird, Rt.-Hon. Sir Thomas White, Miller Lash, Leighton McCarthy, J. A. McLeod, G. A. Morrow, A. N. Mitchell, E. G. Long, Frank P. O'Connor, all of Toronto; H. B. Walker, W. M. Birks, Almé Geoffrion, C. Riordon, William Leggat, Walter Molson, Edward Fitzgerald, of Montreal; A. McT. Campbell, George W. Allan, W. H. McWilliams, James A. Richardson, of Winnipeg; H. J. Fuller, New York; George W. McLaughlin, Oshawa; W. G. Morrow, Peterborough; F. F. Dalley, T. C. Haslett, D'Arcy Martin, C. S. Wilcox, G. H. Levy, of Hamilton.

Branch Offices—Toronto, Montreal, Hamilton, Winnipeg, Saskatoon, Edmonton.

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits $	Div. *Rate %	Rate† Earned per sh. %
1931	6,000,000	449,892	14	15.00
1932	6,000,000	381,838	12½	12.72
1933	6,000,000	266,415	8½	8.88
1934	6,000,000	300,476	8	10.01
1935	6,000,000	260,785	8	8.69

*After cost of management, directors' and auditors' fees, contingencies, etc., and provision for taxes.

Pub. Liabilities and Assets

	1935 $	1934 $
Trust certificates	4,257,272	5,252,678
Deposits	18,071,802	17,379,538
Total	22,329,074	22,632,216
Secured by assets:		
Liquid assets	11,101,488	10,826,512
Mortgages & int. ..	11,227,586	11,805,704
Net capital acc. assets	6,379,371	6,358,586
Total	28,708,445	28,990,802
Estates, etc.	244,142,349	253,995,022

Northern Trusts Co.

Northern Trusts Co., Winnipeg, is one of the old-established Western companies, being originally incorporated in 1902, although a Dominion charter was not obtained until 1923.

Unsatisfactory conditions in the West have reacted on earnings in recent years. Estates under administration total more than $14.8 millions.

Officers—R. T. Riley, pres.; W. A. Murphy, vice-pres.; C. S. Riley, man. dir.; J. H. Riley, head office mgr.; M. J. Marshall, treas.; W. Milton, sec.; H. C. M. Brown, Regina branch mgr.; J. S. McMurchy, Calgary branch mgr.

Directors—R. T. Riley, D. K. Elliott, C. S. Riley, G. W. Allan, N. J. Breen, J. A. Crowe, C. C. Ferguson, R. J. Gaurlay, W. A. Murphy, H. B. Lyall, S. T. Smith, J. H. Turnbull, R. R. Wilson, Winnipeg; W. H. Malkin, Vancouver; F. W. Stobart, Sussex, Eng.

Branch Offices—Regina, Calgary.

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits* $	Div. Rate $	Rate Earned per sh. $
1931 ...	1,800,000	55,752	1.50	1.19
1932 ...	1,800,000	35,333	0.50	...
1933 ...	1,800,000	12,043	...	...
1934 ...	1,750,000	5,836	...	...
1935 ..	‡1,108,725	7,798	†0.26	...

Par value of stock $50.
*After all management expenses, directors' and auditors' fees, salaries, taxes, etc., but before provision against depreciation in market value of bonds, debentures and stocks.
†After provision against depreciation in market value of bonds, debentures and stocks.
‡After giving effect to capital revision.

Public Liabilities and Assets

	1935 $	1934 $
Guaranteed funds	1,579,143	1,762,176
Trust funds	654,445	675,859
Total	2,233,588	2,438,035
Secured by assets:		
Liquid assets	5,679	10,731
Mtge. & sale agree.	2,227,909	2,427,304
Net cap. ac. assets ..	1,164,598	1,790,549
Total	3,398,186	4,228,584
Estates, etc.	14,851,352	14,607,696

Premier Trust Co.

Premier Trust Co., formerly of London, Ontario, was acquired by a Toronto group early in 1931, and now has its head office in that city. Imperial Trusts Co. was absorbed in 1934.

Since ownership was acquired by the Toronto interests, net profits have shown steady, although gradual, increase, rising to $27,882 in 1935.

Officers and Directors—Everett Bristol, pres.; W. Heaman, vice-pres.; T. B. Holmes, gen. mgr.; J. W. Westervelt, Dr. J. Dearness, A. W. Peene.

Earnings Record

Year	Paid-up Capital and Reserves	Net Profits*	Div. Rate	Rate† Earned per sh.
1931	250,055	9,250	5	4.80
1932	322,090	13,817	5+1	5.30
1933‡	334,421	16,810	5+1	5.30
1934	597,583	23,496	5+.50	4.76▴
1935	656,854	27,882	5	5.16▴

*After deducting provision for taxes.
†On average capital. ▴On paid-up capital at year-end ‡Excluding figures of Imperial Trusts Co., acquired in 1934.

Pub. Liabilities and Assets

	1935 $	1934 $
Inv't. certificates	752,920	525,675
Deposits	741,212	592,142
Total	1,494,132	1,117,817
Secured by:		
Liquid assets	952,495	613,952
Mortgages & int. ..	538,608	503,865
Net capital acct. assets	631,626	601,558
Total	2,122,729	1,719,375
Estates, etc.	11,217,910	10,620,309

Royal Trust Co.

Royal Trust Co., Montreal, which commenced business in 1892, is now one of the largest trusts in the Dominion, with total assets of $767 millions.

Estates, trusts and agencies under administration account for the bulk of the company's assets at $607 millions. The company has 11 branches in Canada, and also maintains offices in St. John's, Newfoundland and London, England.

Officers—Sir Charles B. Gordon, pres.; H. R. Drummond, vice-pres.; R. P. Jellett, gen. mgr.; Ross Clarkson, asst. gen. mgr.; G. T. Bogert, supt. of branches.

Directors—Hugh A. Allan, D. Forbes Angus, Hon. C. C. Ballantyne, Sir E. W. Beatty, W. A. Black, W. A. Bog, Norman J. Dawes, C. W. Dean, H. R. Drummond, Sir Charles B. Gordon, A. E. Holt, J. W. McConnell, Ross H. MacMaster, F. E. Meredith, Lt.-Col. Herbert Molson, C. F. Sise, Walter M. Stewart, Montreal, Que.; Hon. Thomas Ahearn, Ottawa; Hon. Henry Cockshutt, Brantford; Major-Gen. The Hon. S. C. Mewburn, Hamilton; Britton Osler, W. N. Tilley, Toronto; R. S. McLaughlin, Oshawa; Hon. L. A. Taschereau, Quebec; Sir Frederick Williams-Taylor, London, Eng.

Branch Offices—Montreal, Calgary, Edmonton, Halifax, Hamilton, Ottawa, Quebec, Saint John, N.B., St. John's, Nfld., Toronto, Vancouver, Victoria, Winnipeg, London, Eng.

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits* $	Div. Rate $	Rate† Earned per sh. $
1931 ..	5,750,000	486,655	3.20+40	4.87
1932 ..	5,750,000	393,887	3.20	3.94
1933 ..	5,750,000	403,291	3.20	4.03
1934 ..	6,000,000	483,901	3.20	4.84
1935 ..	6,000,000	475,140	3.20	4.75

†In Feb., 1930, par value of shares was reduced from $100 to $20.
*After all expenses and providing for all contingencies and taxes.

Public Liabilities and Assets

	1935 $	1934 $
Trust funds, etc. ...	6,756,594	8,933,308
Secured by:		
Liquid assets	5,646,191	7,665,075
Mortgages & int. ..	1,110,403	1,268,232
Net capital acc. & assets	6,574,192	6,469,053
Total	13,330,786	15,402,360
Estates, etc.	748,846,875	716,630,249

Sherbrooke Trust Co.

Sherbrooke Trust Co. has shown steady growth in volume of business.

In business since 1874, the company now has assets totalling more than $56 millions.

Officers — J. MacKinnon, pres.; Chenier Picard, vice-pres.; P. M. Robins, sec.-treas.; R. N. Robins, asst. sec.-treas.; R. Du Berger, asst. sec.-treas.

Directors—J. MacKinnon, H. E. Goodhue, Hon. J. Nicol, Chenier Picard, F. S. Rugg, F. A. Briggs, D. J. Salls.

Earnings Record

Year	Paid-up Capital and Reserves $	†Net Profits $	Div. Rate %	Rate Earned per sh. %
1931	454,218	27,565	6	9.18
1932	460,000	26,464	6	8.82
1933	460,000	31,591	6	10.53
1934	480,000	29,124	6	9.70
1935	484,000	20,910	6	6.97

†After taxes and depreciation on premises and furniture as follows: $5,107 in 1935; $5,079 in 1934; $5,040 in 1933; $5,028 in 1932; $4,985 in 1931.

Creditors' Position

	1935 $	1934 $
Debentures	373,846	335,438
Deposits	1,217,045	1,050,194
Total	1,590,890	1,385,632
Secured by assets:		
Liquid assets	695,566	474,941
Mortgages	1,198,019	1,222,161
Net cap. acc. assets .	217,535	201,743
Total	2,111,120	1,898,745
Estates, etc.	3,902,254	2,911,710

Sterling Trusts Corporation

Sterling Trusts Corp., incorporated under Dominion charter in 1911, has headquarters at Toronto. Originally, head office was in Regina, where a branch is now maintained. The company has shown substantial gains both in guaranteed funds and trust accounts in recent years. Dividends were discontinued in 1933.

Officers—W. H. Wardrope, pres.; A. W. Briggs and N. Sommerville, vice-pres.; C. Bauckham, vice-pres. and man. dir.; J. R. Lovatt, sec.; L. Johnson, mgr.; Regina branch.

Directors—W. H. Wardrope, Hamilton; A. W. Briggs, N. Sommerville, C. Bauckham, J. Hallam, C. H. Burgess, W. H. Adamson, all of Toronto; Dr. J. W. Rutherford, Chatham; W. A. Boys, Barrie; L. Johnson and W. H. McEwen, Regina.

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits* $	Div. Rate $	Rate† Earned per sh. $
1931	929,490	40,811	6	5.17
1932	929,944	32,981	4	4.17
1933	937,890	16,383	2	2.07
1934	924,898	8,745	..	1.10
1935	815,085	20,308	..	2.57

†On average capital. *Less taxes.

Public Liabilities and Assets

	1935 $	1934 $
Inv't. certificates	1,148,010	892,915
Deposits	331,436	183,408
Total	1,479,446	1,076,323
Secured by assets:		
Liquid assets	362,968	209,665
Mortgages & int. ...	1,116,478	866,658
Net cap. acc. assets	825,775	863,860
Total	2,305,221	1,940,183
Estates, etc.	10,682,450	9,697,552

Société Nationale de Fiducie

In business since 1918, this company has shown marked earning power. Dividends of $10 a share were earned three times over in 1934 and 1935 Head office is in Montreal.

Officers—V. Morin, pres.; Guy Vanier, 1st vice-pres.; J. V. Desaulniers, 2nd vice-pres., directing mgr. and sec.; H. Ouimet, asst. mgr. and asst. sec.

Directors—V. Morin, G. Vanier, J. V. Desaulniers, Hon. C. Laurendeau, J. A. Bariteau, A. Lachapelle, *H. Cypihot, V. E. Beaupre, J. E. Laforce.

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits $	Div. Rate $	Rate Earned per sh. $
1931	260,000	26,272	10	22.22
1932	275,000	43,272	10	34.60
1933	275,000	31,946	10	25.50
1934	275,000	37,814	10	30.25
1935	285,000	38,187	10	30.55

Pub. Liabilities and Assets

	1935 $	1934 $
Trust funds	435,597	200,507
Deposits	209,942	187,202
Debentures	122,138	121,358
Total	767,677	509,067
Secured by:		
Liquid assets	603,739	341,809
Mortgages & int. ...	41,800	45,900
Net cap. ac. assets .	429,949	468,546
Total	1,075,488	856,265
Estates, etc.	14,289,109	12,446,018

Toronto General Trusts Corp.

Toronto General Trusts Corp. is one of the oldest and largest companies in its field in the Dominion. Incorporated in 1872, the company now has assets of $235.4 millions. Earnings have shown substantial decline since the beginning of the depression, but in 1935 this downward trend was reversed for the first time. Earnings last year were the equivalent of $6.39 a share on outstanding capital stock. The current dividend rate is four per cent.

Officers—Thomas Bradshaw, pres.; Hon. C. McCrea, vice-pres.; W. G. Watson, gen. mgr.; H. M. Forbes, asst. gen. mgr.; T. J. Maguire, mgr., Toronto office; J. W. Burgess, sec.; C. E. Robin, trust officer; H. B. Morphy, supt. stock and bond dept.; C. W. Nicholson, supervisor of branches; J. Lang, estates mgr.; J. H. A. Burt, J. W. Langmuir and H. W. Johnston, asst. secs.

Directors—Hon. N. W. Rowell, C. S. MacDonald, Hon. C. McCrea, Col. A. L. Bishop, A. Fasken, Col. J. F. Michie, H. H. Williams, T. Bradshaw, A. C. Matthews, A. H. Campbell, F. B. Hayes, S. J. Moore, Albert Matthews, A. E. Phipps, C. S. MacInnes, W. G. Watson, T. A. Russell, all of Toronto; Hon. A. C. Hardy, Brockville, Ont.; Isaac Pitblado, Winnipeg; A. Maclaren, Buckingham, Que.; P. J. Myler, Hamilton, Ont.

Branch Offices—Montreal, Ottawa, Windsor, Winnipeg, Regina, Saskatoon, Calgary, Vancouver, Toronto.

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits* $	Div. Rate %	Rate† Earned per sh. %
1931	6,750,000	398,507	12	13.28
1932	6,000,000	341,871	10.50	11.40
1933	5,000,000	230,955	7	7.70
1934	4,500,000	185,069	6	6.17
1935	4,500,000	191,774	5	6.39

*After all management expenses, directors' fees, advertising, rents, income tax reserve, and all other charges or contingencies.
†Before appropriations for premises and equipment.

Public Liabilities and Assets

	1935 $	1934 $
Invest. certificates ..	15,370,006	16,780,201
Deposits	6,328,932	6,410,169
Total	21,698,938	23,190,370
Secured by assets:		
Liquid assets	6,993,517	7,951,966
Mtges. & int.	14,705,421	15,238,404
Net capital acc. assets	4,651,493	4,629,808
Total	26,350,431	27,820,178
Estates, etc.	209,026,346	203,026,324

Trusts & Guarantee Co., Ltd.

Trusts and Guarantee Co. Ltd. of Toronto began business in 1897. Total assets at $57.8 millions represent chiefly estates, trusts and agencies under administration. The company operates branches in Brantford, Windsor, Calgary and Winnipeg.

Officers—J. J. Warren, pres.; W. D. Bell, vice-pres.; E. B. Stockdale, vice-pres.; C. S. Hamilton, gen. mgr., Eastern branches; H. A. Howard, gen. mgr., Western branches; J. E. Robinson, sec.; R. S. Anderson, treas.; C. D. Henderson, supt.; R. W. Roberts, Brantford, branch mgr.; O. N. Birchard, Windsor, branch mgr.; A. B. Horneby, act. mgr., Winnipeg.

Directors—J. J. Warren, Herbert Begg, D. J. McDougald, A. L. Smith, J. H. McConnell, F. J. Crawford, E. Gordon Wills, G. W. Nicholson, Toronto; W. D. Bell, Chesley, Ont.; H. A. Howard, Calgary; Col. S. R. Robinson, Walkerville; Col. Ernest Wigle, Windsor, Ont.; J. B. McMartin, Montreal; Major Edmund Sweet, Brantford; W. M. Archibald, Trail, B.C.

Calgary Advisory Board—P. Turner Bone, R. W. Ward, Charles D. Taprell, Calgary.

Branch Offices—Toronto, Brantford, Windsor, Ont., Calgary, Winnipeg.

Earnings Record

Year	Paid-up Capital $	Net Profits* $	Div. Rate $	Rate Earned per sh. $
1931	1,977,587	129,883	6	6.57
1932	1,977,887	86,997	4	4.40
1933	2,547,887	70,442	3	†3.56
1934	2,548,287	94,197	3	3.70
1935	2,548,287	83,605	3	3.28

†On capital of $1,977,887 outstanding until purchase of Union Trust Co. as of December 31, 1933.
*After deducting cost of management, advertising, general expenses, salaries, directors' and auditors' fees and taxes.

Public Liabilities and Assets

	1935 $	1934 $
Invest. certificates ...	7,097,064	7,077,223
Deposits	2,771,385	2,611,290
Total	9,868,449	9,688,513
Secured by amts.:		
Liquid assets	2,574,290	2,381,811
Mtges. & int.	6,930,437	7,066,380
Real estate for sale	363,722	240,321
Net capital ac. assets	2,687,206	2,680,049
Total	12,555,655	12,368,562
Estates, etc.*	45,173,452	43,821,735

*Including $12,873 due to company's funds in 1934; $8,382 in 1933.

Additional Trust Cos. on page 22

The TESTATOR *and the Trust Company*

Eventually you will most likely make a will, if you haven't already. The man who neglects to do so invites trouble for his successors.

Your will directs the disposal or administration of everything you own. The carrying out of its provisions entails considerable work, knowledge of the law, executive ability and financial experience.

Only a trust company is so well equipped in this way to ensure the proper execution and administration of a will. Trust company service is your surest way of preventing the mismanagement which often results from the appointing of individuals as executor and trustee.

The
NOVA SCOTIA
TRUST COMPANY
Executor - HALIFAX - Trustee
Experience — Integrity
Permanence

Head Office — Montreal

CREDIT FONCIER FRANCO-CANADIEN
Established in 1880
Capital and Reserves $27,997,000.00
Assets - - - $48,962,000.00
R. de Roumefort *General Manager*
J. Theo. Leclerc *Manager* Marcel Pasquin *Manager*
Armand Chevalier *General Secretary*
Head Office, Montreal
Branches:
Quebec Toronto Vancouver
Regina Edmonton Winnipeg

THE ONTARIO LOAN AND DEBENTURE COMPANY
London - Ontario
Incorporated and Established 1870
Capital $2,000,000 **Reserve Fund $2,400,000**

Assets (31st December, 1935) $14,865,780.74

Surplus of Assets over Liabilities to the Public $4,564,998.10

DIRECTORS:
Archibald McPherson, *President*
Thomas H. Main, *Vice-President*
J. McClary Gunn
O. Roy Moore
Edward E. Reid
James B. Orr
MANAGER:
Thomas H. Main
Assistant Manager
Joseph P. Dewan

3% PAID ON SAVINGS DEPOSITS
subject to withdrawal by cheque
3½% DEBENTURES ISSUED
Interest payable half-yearly by coupons or, under accumulative debentures, may be left to accumulate at compound interest until maturity. The Company's Debentures are a legal investment for Trust Funds, which may also be deposited in the Company's Savings Department.

Offices: — Dundas Street, Market Lane, Market Square
London, Ontario

ADMINISTRATION and TRUST COMPANY

(Société d'Administration et de Fiducie)

Established in 1902

EXECUTORS and TRUSTEES

Hon. RODOLPHE LEMIEUX, *President*
J. THEO. LECLERC, *Managing Director*

Head Office: MONTREAL
5 St. James St. East

BRANCHES:
Quebec - Winnipeg - Regina - Edmonton - Vancouver

THE SUN TRUST LIMITED

Executors, Administrators, Trustees,
Transfer Agents, Registrars
(Complete Trust Service)

10 St. James St. W.
MONTREAL

132 St. Peter St.
QUEBEC

International Loan Company
ESTABLISHED 1913

BALANCE SHEET AS AT DECEMBER 31st, 1935

ASSETS

Mortgages and Agreements: (Including Accrued Interest):		
First Mortgages and Clear Title Agreements		$1,009,297.30
Real Estate, Clear Title		85,793.49
Cash on Hand and in Bank:		
Cash on Hand	$ 1,287.74	
Royal Bank of Canada	11,769.02	
Canadian Bank of Commerce	559.78	
	$13,616.54	
Less outstanding cheques	991.86	
		12,624.68
		$1,107,715.47

LIABILITIES

Liabilities to the Public		Nil
Capital, Surplus and Reserve:		
Capital Authorized	$20,000,000.00	
Capital Subscribed	$ 5,620,400.00	
Capital Paid Up	$ 946,806.27	
Reserve and Undivided Profits	60,909.20	
Reserve for Contingencies	100,000.00	
		$1,107,715.47

304 TRUST AND LOAN BLDG., WINNIPEG, CANADA
Geo. W. Argue, M.D., Managing Director.
Clifford Dick, M.A., LL.B., Sec.-Treas.
WESTERN CANADA'S DOMINION MORTGAGE CORPORATION

The STERLING TRUSTS CORPORATION

	1935	1934
Guaranteed Trust Funds	$1,479,446.27	$1,076,323.10
Estates, Trusts and Agencies	10,682,450.32	9,697,551.94
Total Assets	12,990,117.75	11,716,818.55

DIRECTORS

W. H. Wardrope, K.C., President; A. W. Briggs, K.C., Norman Sommerville, K.C., Charles Bauckham, Vice-Presidents; W. H. Adamson, Dr. J. W. Rutherford, M.P., John Hallam, W. A. Boys, K.C., W. H. McEwen, K.C., C. H. Burgess, Lorne Johnson.

The Brockville Trust and Savings Company

Brockville, Ont., Canada

Capital Authorized	$1,000,000.00
Subscribed Capital	500,000.00
Paid-Up Capital	500,000.00
Reserve Fund	200,000.00
Investment Reserve	60,399.34
Undivided Profits	8,332.23

DIRECTORS

J. Gill Gardner, *President*
A. Fullerton, *Vice-President*
L. C. Dargavel, *Managing-Director*
F. H. Fulford, F. I. Ritchie,
Rt. Hon. Geo. P. Graham, A. G. Parish, J. M. Dobbie,
Hon. A. C. Hardy, Geo. T. Fulford,
Hon. H. A. Stewart
E. J. Smith, *Secretary-Treasurer*

Established 1896

The London and Western Trusts Company Limited

RONALD HARRIS
Chairman of the Board

RT. HON. ARTHUR MEIGHEN, K.C., P.C.
President

RAY LAWSON
Vice-President

GEO. C. GUNN
Vice-President

JOHN S. MOORE
General Manager

London Toronto Windsor Winnipeg Vancouver

Loan Companies

Can. Perm. Mortgage

With total assets at $69.1 millions, the Canada Permanent Mortgage Corporation, of Toronto, is the largest mortgage lending institution in the Dominion. Its history extends back to 1855, but the present company was originally incorporated in 1899 with a Dominion charter. About two thirds of the company's mortgages are held in Ontario and eastern Canada, with the balance in the West. The company's shares are listed on the Toronto Stock Exchange.

Officers—F. Gordon Osler, pres.; J. A. Rowland, 1st vice-pres. and joint gen. mgr.; E. D. Gooderham, 2nd vice-pres.; C. S. Robertson, joint gen. mgr.; W. F. Watkins, asst. gen. mgr. and sec.; R. Henderson, asst. gen. mgr. and inspector of branches.

Directors—F. Gordon Osler, J. A. Rowland, E. D. Gooderham, F. S. Corrigan, G. H. Gooderham, C. S. Robertson, J. R. Lamb, Toronto; G. W. Allan, Winnipeg; A. B. Campbell, W.S., Edinburgh.; R. L. Warren.

Chief Office in Great Britain—36 Castle St., Edinburgh.

Branch Offices—Toronto, Winnipeg, Vancouver, Halifax, Saint John, N.B., Edmonton, Regina, Woodstock, Ont., Brantford, Ont.

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits* $	Div. Rate $	Rate Earned per sh. $
1931	15,000,000	913,928	12	13.06
1932	15,000,000	†888,559	12	12.68
1933	14,000,000	†730,192	9½	10.43
1934	12,000,000	†680,225	8	9.72
1935	12,000,000	†675,012	8	9.64

*After deducting interest on borrowed capital, expenses of management, taxes, and making provision for possible losses and contingencies.

†Before deducting amount written off office premises; $110,000 in 1935, 1934 and 1933; $55,746 in 1932.

Creditors' Position

	1935 $	1934 $
Debentures & deb. stk.	39,712,273	42,397,251
Deposits	16,588,450	15,216,613
Total	56,300,723	57,613,864
Secured by:		
Liquid assets	11,598,696	12,619,889
Mortgages & int.	52,229,769	52,481,023
Other net assets	5,076,136	5,111,818
Total	68,904,601	70,212,730

Central Can. Loan

Central Canada Loan and Savings Co., Toronto, largely a holding and investment company, was incorporated in Ontario in 1884, and in 1898 received a Dominion charter. The company holds a controlling interest in Canada Life Assurance Co. and has an important investment interest in National Trust Co.

Profits of $204,863 in 1935 exceeded the $8 a share dividend by 19 cents.

Officers—E. R. Wood, pres.; G. A. Morrow, vice-pres. and man. dir.; H. C. Cox, Leighton McCarthy, vice-pres.; W. J. Hastie, sec.

Directors—E. R. Wood, G. A. Morrow, H. C. Cox, Leighton McCarthy, W. J. Hastie, A. H. Cox, F. P. Wood, F. McCarthy, all of Toronto; W. G. Morrow, Peterborough.

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits $	Div. Rate $	Rate Earned per sh. $
1931	4,600,000	335,359	12+2	13.41
1932	4,600,000	264,937	10½	10.60
1933	4,600,000	202,463	8	8.10
1934	4,600,000	202,281	8	8.09
1935	4,600,000	204,863	8	8.19

Assets

	1935 $	1934 $
Liquid assets	4,484,473	4,449,198
Mortgages & int.	111,173	132,815
Other net assets	153,078	161,848

Crown Savings & Loan Co.

Crown Savings & Loan Co. was incorporated in Petrolia in 1877. All of its loans are on Ontario properties.

The company is being taken over by the Industrial Mortgage & Trust Co. of Sarnia.

Officers and Directors—K. C. Kerr, pres.; J. McGill and D. Wright, vice-pres.; C. Egan, mgr.; F. J. McMahen, K. G. Macalpine.

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits $	Div. Rate $	Rate Earned per sh. $
1931	361,050	11,270	2.75	2.34
1932	321,050	13,146	2.75	2.73
1933	321,050	10,062	2.00	2.09
1934	281,050	880	...	0.15
1935	241,050	3,293	...	0.68

Par value of stock $50.

Pub. Liabilities and Assets

	1935 $	1934 $
Debentures	204,485	224,565
Deposits	44,572	42,697
Total	249,057	267,262
Secured by:		
Liquid assets	93,932	106,587
Mortgages & int.	425,402	459,474
Other net assets	65,758	53,945
Total	585,192	620,006

Eastern Canada Savings & Loan Co.

This company is a Nova Scotia institution, operating under a Dominion charter originally secured in 1887. Mortgage loans constitute a large proportion of the company's total assets of $4.3 millions. Most of the company's public liabilities are in the form of debenture certificates. Head office is in Halifax.

Officers—Hon. W. H. Covert, pres.; D. R. Turnbull, vice-pres.; J. A. Clark, mgr.; G. W. Hazen, asst. mgr.

Directors—Hon. W. H. Covert, D. R. Turnbull, J. A. Clark, A. E. Silver, W. A. Black.

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits* $	Div. Rate $	Rate Earned per sh. $
1931	1,157,000	99,295	8	13.23
1932	1,111,200	82,841	8	11.04
1933	1,050,000	55,368	8	7.38
1934	1,050,000	51,075	6½	6.81
1935	1,050,000	†45,863	6	6.11

*Less taxes and depreciation on office buildings, etc.

†Less depreciation reserve of $8,400.

Creditors' Position

	1935 $	1934 $
Debentures	2,622,053	2,609,157
Deposits	560,806	483,518
Total	3,182,859	3,092,675
Secured by:		
Liquid assets	489,558	423,692
Mortgages & int.	3,610,181	3,646,453
Other net assets	210,889	212,136
	4,310,628	4,282,581

Guelph & Ontario Invest. & Savings Society

Guelph and Ontario Investment and Savings Society, incorporated in 1876, largely confines its activities to the territory surrounding the head office at Guelph. Total assets of the company amount to $5,109,915.

Officers—J. R. Howitt, pres.; W. E. Phin 1st vice-pres.; J. J. Shaw, 2nd vice-pres.; J. M. Purcell, man. dir.

Directors—J. R. Howitt, W. E. Phin, J. R. Phin, J. J. Shaw, J. M. Purcell, R. L. Torrance, J. Armstrong, G. A. Forbes.

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits* $	Div. Rate $	Rate† Earned per sh. $
1931	1,834,515	100,213	4	5.20
1932	1,834,515	100,389	3.75	5.20
1933	1,484,515	72,799	3	3.77
1934	1,484,515	72,084	3	3.73
1935	1,484,515	69,299	3	3.59

*Less taxes. †Par value of stock $50.

Pub. Liabilities and Assets
Creditors' Position

	1935 $	1934 $
Debentures	2,578,008	2,582,617
Deposits	966,583	972,603
Total	3,544,591	3,555,220
Secured by:		
Liquid assets	848,373	951,582
Mortgages & int.	3,762,310	3,691,804
Other net assets	456,290	447,800
Total	5,066,973	5,091,185

Home Investm't & Savings Association

The Home Investment and Savings Association, Winnipeg, has total assets of $1.8 millions. Established in 1892, the company has most of its investments and mortgages on city properties.

Officers—M. F. Christie, pres.; J. A. Flanders, vice-pres.; W. E. Hobson, man. dir.; P. M. Bull, asst. mgr.; W. E. Nicholls, sec.

Directors—M. F. Christie, G. W. Allan, R. J. Gourlay, W. A. Matheson, E. H. Bennest, J. A. Flanders, W. E. Hobson, all of Winnipeg.

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits* $	Div. Rate $	Rate Earned per sh. $
1931	1,521,400	53,056	4	5.32
1932	1,496,400	41,597	3	4.17
1933	1,396,400	37,421	..	3.75
1934	1,396,400	27,082	..	2.72
1935	1,396,400	24,553	..	2.46

*After making provision for taxes.

Public Liabilities and Assets

	1935 $	*1934 $
Inv't. certificates	168,356	203,886
Deposits	205,240	212,185
Total	373,596	416,071
Secured by assets:		
Liquid assets	382,599	375,417
Mortgages & int.	904,519	1,018,605
Net cap. ac. assets	503,395	446,184
Total	1,790,513	1,840,206

Hudson Bay Mortgage Co., Ltd.

This company, with head office in Vancouver, was incorporated with a British Columbia charter in 1926 to take over the Hudson Bay Mortgage Corporation, originally incorporated in 1911 Practically all mortgage loans have been extended, or are in arrears.

Officers and Directors—T. S. Annandale, pres.; A. Gonnason, vice-pres.; S. B. Smith, sec. and treas.; R. Dowswell, P. D. Bannerman.

Shareholders' Position*

	1935 $	1934 $
Rate earned, pref.	...	0.20
Divs. paid, pref.†	0.25	0.50
Net profits	‡551	1,264
Reserve	3,152	3,152
P. & L. surplus	7,254	9,361

*No earnings or dividends on common.

†Paid for 1933 and 1932 respectively.

‡Loss.

Huron & Erie Mortgage Corp.

One of the major lending institutions in Canada, Huron & Erie Mortgage Corp., was incorporated in Ontario in 1864. Head office is in London, Ontario. Mortgages are held largely in Ontario and Western Canada. Total assets at the end of 1935 amounted to $45.6 millions.

The companys' stock is listed on the Toronto Stock Exchange.

Officers—T. G. Meredith, pres.; Maj.-Gen. Hon. S. C. Mewburn, vice-pres.; M. Aylsworth, gen. mgr.; D. McEachern, sec.; C. J. Clarke, treas.; H. W. Givins, supt. of Western branches; R. H. Cronyn, asst. sec.; R. P. Baker, invest. exec.

Directors—T. G. Meredith, chm.; M. Aylsworth, H. E. Gates, G. H. Belton, Lieut.-Col. Claude Brown, Col. Ibbotson Leonard, V. P. Cronyn, London; Maj.-Gen. the Hon. S. C. Mewburn, Hamilton; J. W. Spears, Toronto.

Branch Offices—London, Ont. (4); Toronto, Hamilton, St. Thomas, Windsor, Chatham, Winnipeg, Regina, Edmonton, Victoria and Vancouver.

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits* $	Div. Rate $	Rate Earned per sh. $
1931	7,800,000	400,490	8	8.01
1932	7,800,000	404,724	8	8.09
1933	7,000,000	353,334	6½	7.07
1934	7,000,000	303,880	6	6.08
1935	6,500,000	302,703	6	6.05

*After management expenses and all other charges, taxes, provision for actual losses, and amount written off office premises.

Public Liabilities and Assets

	1935 $	1934 $
Canadian debentures	26,905,683	27,630,958
Sterling debentures	2,481,834	2,519,989
Debenture interest	376,232	419,525
Deposits	9,231,464	9,053,095
Total	38,995,213	39,623,567
Secured by assets:		
Liquid assets	5,376,994	5,792,697
Mtge. & sale agree.	35,060,896	36,025,172
Other net assets	5,182,575	4,928,146
Total	45,620,465	46,746,115

Lambton Loan & Investment Co.

Lambton Loan and Investment Co. is Canada's oldest mortgage company. With head office in Sarnia, the company began business in 1847. Total assets amount to $4.1 millions, more than three-quarters of which is in mortgages and agreements for sale. Liabilities to the public are chiefly in the form of debenture certificates.

Officers—N. S. Gurd, pres.; Col. R. Mackenzie, vice-pres.; J. M. Hunt, mgr. and sec.

Directors—N. S. Gurd, Col. R. Mackenzie, C. H. Belton, A. J. Johnston, all of Sarnia; A. G. Minielly, Watford; B. W. Fansher, Florence; H. Fraleigh, Forest.

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits $	Div. *Rate %	Rate† Earned per sh. %
1931	1,739,750	83,574	5.90	5.30
1932	1,739,750	67,384	4.50	4.25
1933	1,589,750	37,768	2.25	2.39
1934	1,589,750	*32,498	2.00	2.08
1935	1,589,750	32,518	2.00	2.08

*Estimated. Par value of stock $50.

Pub. Liabilities and Assets

	1935 $	1934 $
Debentures & int.	1,516,749	1,540,587
Deposits	974,343	835,430
Bank payables	......	60,000
Total	2,491,092	2,486,017
Secured by assets:		
Liquid assets	396,721	299,782
Mortgages & int.	3,292,822	3,424,318
Other net assets	409,379	368,817
Total	4,098,922	4,092,917

Landed Banking & Loan Co.

Landed Banking and Loan Co., with head office in Hamilton, was incorporated in 1876. Mortgages are largely on properties in the Hamilton district, although a few are located in Western Canada. Total assets at the end of 1935 amounted to $3.7 millions.

The company's stock is listed on the Toronto Stock Exchange.

Officers—P. J. Myler, pres.; R. R. Bruce, vice-pres.; H. M. Patterson, mgr.

Directors—P. J. Myler, A. V. Young, C. E. Thomson, R. R. Bruce, Hon. G. Lynch-Staunton, Major W. D. Wilson, all of Hamilton.

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits $	Div. *Rate $	Rate† Earned per sh. $
1931	2,000,000	92,202	8	9.22
1932	1,950,000	78,792	8	7.87
1933	1,850,000	65,415	6	6.54
1934	1,850,000	69,048	5	6.90
1935	1,850,000	50,926	5	5.09

*After deducting interest, expenses and charges, and making provision for possible losses and contingencies and reserve for taxes.

Pub. Liabilities and Assets

	1935 $	1934 $
Inv't. certificates	675,079	670,454
Deposits	1,072,121	1,141,722
Total	1,747,200	1,812,176
Secured by assets:		
Liquid assets	395,552	425,927
Mortgages and int.	3,024,493	3,118,200
Other net assets	266,720	246,484
Total	3,686,765	3,790,811

Midland Loan & Savings Co.

Midland Loan and Savings is one of the older-established Ontario companies. Head office is in Port Hope, the company originally being incorporated in 1872. All mortgages are held in Ontario. Total assets are $3.2 millions.

Officers—S. R. Caldwell, pres.; F. Rosevear vice-pres.; W. J. Helm, mgr.

Directors—The above and A. J. Mulligan, W. H. Symons.

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits $	Div. *Rate %	Rate† Earned per sh. %
1931	840,000	60,647	10+2	16.8
1932	840,000	55,331	10+1	15.3
1933	840,000	51,254	8½	14.2
1934	840,000	50,880	8	14.1
1935	840,000	44,687	8	12.4

*Before deduction of investment reserve.

Par value of stock $10.

Creditors' Position

	1935 $	1934 $
Debentures	1,953,298	2,074,675
Deposits	346,285	330,794
Total	2,299,583	2,405,469
Secured by:		
Liquid assets	563,474	617,266
Mortgages	2,600,130	†2,694,384
Other net assets	2,727	5,958
	3,166,331	3,317,608

†Includes interest.

Montreal Loan and Mortgage Co.

Montreal Loan and Mortgage Co. was incorporated under Quebec charter in 1875. The bulk of assets are invested in mortgages. Reserve fund amounts to $850,000.

Officers—G. Caverhill, pres.; W. E. Bolton, vice-pres.; R. A. Kydd, mgr.

Directors — G. Caverhill, W. E. Bolton, H. Raine, G. R. Caverhill, W. B. Blackader, all of Montreal.

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits $	Div. Rate $	Rate† Earned per sh. $
1931	1,500,000	88,109	3+.25	3.67
1932	1,500,000	79,641	3+.25	3.32
1933	1,500,000	73,324	3+.25	3.06
1934	1,500,000	63,346	2.62½	2.64
1935	1,450,000	52,192	2.37½	2.17

†Par value of stock $25.

Pub. Liabilities and Assets

	1935 $	1934 $
Debentures	346,347	353,101
Deposits	156,104	167,905
Total	502,451	521,006
Secured by:		
Liquid assets	7,856	2,703
Mortgages and int.	1,754,812	1,971,665
Other net assets	190,693	79,304
Total	1,953,361	2,053,672

Mortgage Corp. of Nova Scotia

Mortgage Corp. of Nova Scotia began operations in 1901 under Dominion charter. The company, whose head office is at Halifax, now has assets amounting to slightly over $2 millions. Earnings have been sufficient to comfortably cover the dividend rate of $7 a share.

Officers and Directors—A. H. Whitman, pres.; A. MacKinlay, vice-pres.; C. R. Chipman, man. dir.; N. C. Mitchell, J. R. Corston.

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits* $	Div. Rate $	Rate Earned per sh. $
1931	992,000	67,050	7	9.86
1932	1,010,000	64,214	7	9.44
1933	1,020,000	69,506	7	10.22
1934	1,020,000	65,812	7	9.67
1935	1,020,000	58,247	7	8.56

*After cost of management, interest and taxes.

Public Liabilities and Assets

	1935 $	*1934 $
Debentures and int.	608,042	695,871
Deposits	69,841	61,534
Total	677,883	757,405
Secured by:		
Liquid assets	109,166	153,330
Mortgages & int.	1,549,101	1,587,823
Other net assets	361,644	358,665
Total	2,019,911	2,099,818

Northern Canadian Mortgage Co.

Northern Canadian Mortgage Co., Winnipeg, has no liabilities to the public. Total assets amount to $525,766.

Officers—G. W. Northwood, pres.; T. L. Hartley, vice-pres.; J. H. Peace, sec.

Directors—G. W. Northwood, W. T. Gwyn, A. L. Denison, T. L. Hartley.

Shareholders' Position

	1935 $	1934 $
Rate earned, pref.	0.91	0.67
Divs. paid per sh.	nil	nil
Net profits	12,271	9,027
P. & L. surplus	16,299	4,028
Net assets	470,548	458,278

North of Scotland Can. Mortgage Co.

Originally incorporated in 1875, this company has head office in Aberdeen. Mortgage holdings, however, are mostly in western Canada, where conditions have been such that the company has shown a loss for the past four years. Canadian office is in Winnipeg.

Officers—J. Mearns, chm.; Osler, Hammond & Nanton, gen. mgrs. in Canada; W. Johnson, sec., Scotland.

Directors—Col. G. Milne, Rt. Hon. Earl of Caithness, J. Mearns, H. J. Kinghorn, G. Robb, Aberdeen; Directors appointed by debenture stockholders: A. T. Cruickshank, R. B. Masson, Aberdeen.

Earnings Record

Yr. end. May 15	Paid-up Capital £	Net Profits* £	Div. Rate %	Rate Earned per sh. %
1931	276,000	40,403	10	14.6
1932	276,000	†2,391	2½	...
1933	450,728	†24,782	..	...
1934‡	529,960	†14,917	..	...
1935•	612,663	†10,048	..	...

Creditors' Position

	1935 $	1934 $
Debenture stock	548,455	548,455
Deposits	379,607	427,058
	928,062	975,513
Secured by:		
Liquid assets	52,976	32,213
Mortgages	1,588,385	1,612,065
Other assets	134,642	122,301

†Nine months only, commencing May 15, 1933.

Provident Investment Co.

Provident Investment Co., Toronto, incorporated in 1893, has assets totalling $182,542. Public interest in the company is small.

Officers and Directors—A. H. Cox, pres.; H. K. Cox, vice-pres.; N. L. Tolman, sec.; R. G. Roberts, H. C. Cox, W. J. Hastie.

	Total Assets $	Paid-up Capital $	Liab. to Public $
1931	225,449	100,000	*90,705
1932	260,524	100,000	160,477
1933	249,667	100,000	149,353
1934	190,087	100,000	89,037
1935	182,542	100,000	81,639

*Less mortgages and accrued interest.

Additional Loan Cos. on page 22

Northern Mortgage Co. of Canada

This company, with head office in Winnipeg, is in process of liquidation. Due to prevailing conditions, realization has been slow, but of the $50 a share called, $37 had been refunded at Feb. 1, 1935.

Officers and Directors—R. T. Riley, pres.; N. J. Breen and P. C. Shepherd, vice-pres.; J. H. Riley, mgr.; C. R. Vincent, sec.; G. W. Allan, W. H. Malkin, Capt. W. Robinson, C. S. Riley, F. W. Stobart, J. H. Turnbull, D. K. Elliott.

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits $	Div. Rate $	Rate Earned per sh. $
1931	150,000	*6,213	•	...
1932	150,000	*7,877	•	...
1933	150,000	*2,691	•	...
1934	150,000	*1,520	..	...

*Loss.

Year	Total Assets $	†Reserve Funds $	Mtge. & Real Est. Loans $
1931	753,309	300,000	294,788
1932	757,048	307,503	280,714
1933	724,053	275,808	253,750
1934	719,988	267,983	242,197

†For loss on loans and real estate. In 1933 the auditors stated their belief that this reserve was too low.

Company has no liabilities to the public.

Ontario Loan & Debenture

Ontario Loan and Debenture Co. of London, Ontario, was incorporated in 1870. The company has maintained a very strong liquid position, and in recent years earnings have been fairly steady at about $250,000. Total assets are $14.9 millions.

Officers—Archibald McPherson, pres.; T. H. Main, vice-pres. & mgr.; J. P. Dewan, asst. mgr.; F. E. A. McKellar, accountant.

Directors—Archibald McPherson, J. B. Orr, T. H. Main, J. McClary Gunn, O. R. Moore, E. E. Reid, all of London, Ont.

Earnings Record

Year	Paid-up Capital & Reserves $	Net Profits† $	Div. Paid $	Earned Per $50 sh. $
1931	5,200,000	277,841	6	6.95
1932	5,200,000	267,386	6	6.68
1933	5,200,000	252,011	6	6.30
1934	4,400,000	256,980	6	6.42
1935	4,400,000	253,804	6	6.34

‡After payment of provincial and municipal taxes, interest, expenses and charges, provision for possible losses and contingencies and income tax, but before deducting $10,000 written off office premises.

Creditors' Position

	1935 $	1934 $
Debentures	7,664,927	7,859,954
Deposits	2,574,034	2,070,157
Total	10,238,961	9,930,111
Secured by:		
Liquid assets	4,019,161	3,933,604
Mortgages	10,164,810	10,063,705
Other net assets	621,809	448,394
Total	14,805,780	14,445,703

Real Estate Loan Co. of Can., Ltd.

Real Estate Loan Co. of Canada Ltd., although originally incorporated in 1877, did not begin business until 1883. The company has no savings deposits, liabilities to the public being in the form of sterling debentures. Investments are largely in mortgages in Ontario and Manitoba. The company's stock is listed on the Toronto Stock Exchange. Head office in Toronto.

Officers—H. W. Aikins, pres.; E. P. Beatty, vice-pres.; C. A. Morris, man. dir.

Directors—H. W. Aikins, C. A. Morris, E. P. Beatty, and M. A. Mackenzie, all of Toronto; Hon. Lendrum McMeans, Winnipeg.

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits $	Div. Rate $	Rate Earned per sh. $
1931	810,000	38,802	7	7.76
1932	810,000	44,081	7	8.82
1933	795,000	32,640	5	6.53
1934	770,000	17,303	2½	3.46
1935	750,000	*20,017	2	4.00

*Before deducting mortgage reserve of $5,000.

Pub. Liabilities and Assets

	1935 $	1934 $
Debentures	753,239	775,766
Secured by assets:		
Liquid assets	75,058	82,432
Mortgages & int.	*1,258,226	1,300,099
Other net assets	184,324	166,541
Total	1,517,603	1,549,072

*After deduction of reserve of $25,000.

Security Loan & Savings Co.

Security Loan and Savings Co. of St. Catharines, was originally incorporated in 1870 as a building loan association. Earnings have comfortably covered dividend requirements. Mortgages account for more than 70 per cent of the company's total assets.

Officers and Directors—H. Southcott, pres.; E. F. Dwyer, vice-pres.; F. Blaikie, mgr.; H. Newman, A. Robinson, D. F. Pepler, H. J. Carmichael.

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits $	Div. Rate $	Rate Earned per sh. $
1931	888,630	58,287	7	10.80
1932	874,800	*55,552	7	10.28
1933	874,800	*51,752	7	9.59
1934	874,800	*47,961	6	8.88
1935	874,800	45,841	6	8.49

*After deducting income tax, estimated: 1934, $7,804; 1933, $5,122; 1932, $6,263.

Creditors' Position

	1935 $	1934 $
Debentures	947,257	954,167
Deposits	348,900	301,751
Total	1,296,157	1,255,918
Secured by:		
Liquid assets	438,278	400,994
Mortgages	1,582,947	1,605,208
Other net assets	210,415	169,624
Total	2,231,640	2,175,626

Toronto Mortgage Co.

Toronto Mortgage Co., Toronto, was incorporated in 1899. Debentures and deposits have shown steady growth, and the company's profits have been well maintained. The company pays $6 a share dividends on its stock, this being equivalent to 12 per cent, as par value is $50.

Officers—T. H. Wood, pres.; A. M. M. Kirkpatrick, vice-pres.; W. Gillespie, mgr. and sec.-treas.

Directors—T. H. Wood, A. M. M. Kirkpatrick, W. Gillespie, E. R. Greig, Hon. George S. Henry, G. B. Strathy, A. F. White, G. D. Kirkpatrick, all of Toronto.

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits $	Div. Rate† $	Rate† Earned per sh. $
1931	2,136,655	132,999	6	6.74
1932	2,151,502	128,458	6	6.51
1933	2,151,502	130,632	6	6.62
1934	2,151,502	128,650	6	6.52
1935	2,151,502	129,031	6	6.54

†Based on fully paid-up capital stock, Par value, $50.

Creditors' Position

	1935 $	1934 $
Debentures	2,748,583	2,723,330
Deposits	136,865	122,640
Total	2,885,448	2,845,970
Secured by:		
Liquid assets	928,668	853,027
Mortgages & int.	4,150,219	4,187,047
Other net assets	79,673	68,362
Total	5,158,565	5,107,436

The WESTERN SAVINGS and LOAN ASSOCIATION
HEAD OFFICE: WINNIPEG, MANITOBA

EQUITABLE AGENCIES LTD.
CALGARY, ALBERTA

BUTLER BYERS BROS. LTD.
SASKATOON, SASK.

McCALLUM-HILL AND COMPANY, LIMITED
REGINA, SASK.

Saskatchewan Loan & Investment Co.

Saskatchewan Loan and Investment Co., with head office in Moose Jaw, has been in operation since 1911. Investments are entirely in mortgages, contracts and real estate. Owing to unfavorable loan conditions in Western Canada, the company has not been able to show a profit in the past two years.

Officers—J. Thomson, pres.; W. P. Johnson, vice-pres.; W. D. McIntyre, sec.

Directors—J. D. Fraser, J. Thomson, C. D. Grayson, G. H. Grayson, J. M. Keay, W. P. Johnson, N. J. Bellamy, A. T. Wilson, all of Moose Jaw, Sask.; J. C. Poyser, Stoney Beach; T. Wilson, Forres; E. J. Purser, Nedder Crossing, B.C.; J. Hargrave, Medicine Hat; W. R. Marlow, Swift Current.

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits $	Div. Rate $	Rate Earned per sh. $
1933	401,646	81	..	...
1934	401,646	*2,792	..	...
1935	401,646	*2,748	..	...

*Loss.

Yarmouth Building & Loan

Yarmouth Building and Loan Society, Yarmouth, N.S., began business in 1876, although not incorporated in Nova Scotia until 1880. Investments of the company are largely in mortgages centred about the district in which its head office is located.

Officers—W. C. Purney, pres.; J. W. Grant, sec.-treas.

Directors—W. C. Purney, B. S. Robbins, G. Killam, A. P. Stoneman, R. S. McKay.

Earnings Record

Year	Paid-up Capital $	Net Profits* $	Div. Rate $	Rate Earned per sh. $
1931	206,153	16,363	6	7.9
1932	205,854	14,564	6	7.2
1933	200,183	12,896	6	6.4
1934	197,908	12,465	6	6.3
1935	194,403	12,789	6	6.6

*After deducting expenses, taxes, accrued interest and transfer to real estate.

Year	Total Assets $	Reserves Funds $	Mortgages and Real Est. Loans $
1931	425,583	53,000	419,750
1932	309,703	55,000	297,989
1933	428,927	55,000	412,090
1934	424,867	55,000	379,150
1935	419,374	57,000	367,810

MONTREAL TRUST COMPANY
ESTABLISHED 1889

Montreal
Winnipeg Edmonton
St. John's, Nfld.

Toronto
Halifax Vancouver
London, Eng.

MONTREAL TRUST COMPANY

BOARD OF DIRECTORS

SIR HERBERT S. HOLT, - - - - - - - President
HON. A. J. BROWN, K.C., - - - - Vice-President
F. G. DONALDSON, - - - - - General Manager

ROBERT ADAIR
J. E. ALDRED
WILLIAM F. ANGUS
C. H. CARLISLE
GEORGE CAVERHILL
W. H. COVERDALE
HAROLD CRABTREE
HON. R. DANDURAND
G. H. DUGGAN
ANDREW P. HOLT
GORDON W. MacDOUGALL, K.C.

A. D. MACTIER
JOHN C. NEWMAN
J. S. NORRIS
HUGH PATON
F. W. ROSS
HON. GORDON W. SCOTT
PAUL F. SISE
JULIAN C. SMITH
HON. SMEATON WHITE
MORRIS W. WILSON
A. E. DYMENT

61 YONGE ST., TORONTO
HEAD OFFICE
511 PLACE d'ARMES, MONTREAL

PAID-UP CAPITAL AND RESERVE $5,000,000.

The British Mortgage & Trust Corporation of Ontario

Founded in 1877
Stratford, Ont.

Balance Sheet, December 31st, 1935.

ASSETS

CAPITAL ACCOUNT:			
Office premises		$66,693.34	
Furniture and fixtures		17,306.66	$ 84,000.00
Real Estate for sale			525,768.57
Mortgages on real estate in possession or control of mortgagee: Principal		$480,340.81	
Interest due		10,096.14	
			490,436.95
Mortgages and Agreements for Sale:			
Principal		306,868.19	
Principal assigned for loans	$181,205.00		
Less loans on same	114,145.57		
		67,059.43	
Interest due and accrued		21,691.51	
			395,619.13
BONDS AND DEBENTURES:			
Government bonds:			
Principal		44,305.30	
Interest due and accrued		178.00	
			44,483.30
Canadian Municipal Bonds:			
Principal		31,953.13	
Interest due and accrued		75.00	
			32,028.15
Other bonds			30,144.02
Stocks owned		220,669.14	
Dividends accrued		1,248.00	
			221,917.14
Cash on hand and in Bank			55,888.83
Advances to Estates			22,538.96
TOTAL CAPITAL ASSETS			$1,902,825.05
GUARANTEED TRUST ACCOUNT:			
Mortgages:			
Principal	$4,195,191.27		
Interest due and accrued	134,763.42		
		$4,329,954.69	
BONDS AND DEBENTURES:			
Government Bonds:			
Principal	381,253.31		
Interest due and accrued	3,609.00		
		384,862.31	
Government Guaranteed Bonds:			
Principal	74,048.60		
Interest due and accrued	794.00		
		74,842.60	
Canadian Municipal Bonds:			
Principal	249,113.06		
Interest due and accrued	3,831.00		
		252,944.06	
Stocks owned	103,511.06		
Dividends accrued	1,019.00		
		104,530.06	
Cash on hand and in bank		62,700.05	
TOTAL GUARANTEED TRUST ASSETS			$5,209,833.77
ESTATES DEPARTMENT:			
Estates, Trusts and Agency Funds			744,681.19
			$7,857,340.01

LIABILITIES

CAPITAL ACCOUNT:		
Capital Stock fully paid up		$1,000,000.00
General Investment Reserve		125,000.00
General Reserve Fund		700,000.00
Reserve for Taxes		15,000.00
Profit and loss credit balance		22,593.36
Dividends payable 2 Jan. 36		40,000.00
All other liabilities		231.69
Total Capital Liabilities		$1,902,825.05
GUARANTEED TRUST ACCOUNT:		
Guaranteed Investment Receipts:		
Principal	$3,254,496.11	
Interest due and accrued	39,863.42	
		$3,294,359.53
Trust Deposits:		
Principal and Interest		$1,915,474.24
TOTAL GUARANTEED TRUST LIABILITIES		$5,209,833.77
ESTATES DEPARTMENT:		
Estates, Trusts and Agency Funds		744,681.19
		$7,857,340.01

REVENUE ACCOUNT FOR 1935

Balance brought forward from 1934	$ 26,905.39
Less Dominion Income Taxes (1934)	10,376.27
	16,529.12
Net earnings on 1935 business	*$101,064.24
	$117,593.36
Of which the following distribution has been made:	
Reserve for taxes	$ 15,000.00
Half-yearly dividends Nos. 114 and 115 at the rate of 8% per annum	$ 80,000.00
Balance carried forward to 1936	22,593.36
	$117,593.36

*$90,687.97 after payment of income tax.

NELSON MONTEITH,
President.

W. H. GREGORY,
Managing Director.

Trust Companies (Continued)

Equitable Trust Co.

A trust company incorporated in 1912 with head office in Winnipeg. It is a relatively small concern for which earnings have not been published for some years.

Officers and Directors—W. L. Parrish, pres.; H. W. Bell, vice-pres.; J. A. Forlong, vice-pres.; F. W. Leistikow, vice-pres.; E. C. McMurray, man. dir. and sec.-treas.; N. Heimbecker, W. A. Irish.

Earnings Record

Year	Paid-up Capital $	Net Profits* $	Div. Rate %	Rate Earned %
1929	555,100	19,915	3	3.5
1930	555,600	5,431	2	0.9

Year	Total Assets	Reserve Funds	Mortgages and Agreem'ts
1929	901,252	50,000	295,044
1930	816,069	50,000	247,513
1932†	1,878,344	400,000	800,868
1933†	1,880,389	400,000	791,644
1934†	1,867,035	400,000	792,282

*Less income tax. †As at April 30.

Fidelity Trust Co. of Winnipeg

A company with head office in Winnipeg which has shown no earnings in recent years. Mortgages and real estate held for sale constitute the majority of its holdings. Liabilities to the public are comparatively small. Assets and reserve funds have dropped in the past few years.

Officers—C. M. Simpson, pres. and man. dir.; W. L. Parrish, vice-pres.; R. W. Rutherford, sec.-treas.

Directors—W. F. Hull, W. L. Parrish, C. M. Simpson, O. C. Feetham, all of Winnipeg; J. A. Davidson, Victoria; A. J. Keith, T. B. Keith, R. F. Werner, M.D., Eau Claire, Wis.

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits $	Div. Rate %	Rate Earned per sh. %
1930	502,045	*2,616	..	..
1931	495,489	263	..	..
1932	491,524	*1,423	..	..
1933	465,811	*2,300	..	..
1934	465,811	2	..	..

*Loss.

Year	Total Assets $	Reserve Funds $	Liab. to Public $
1930	519,951	50,000	14,801
1931	503,858	43,446	5,000
1932	499,323	39,479	5,287
1933	465,967	39,479	47
1934	472,348	39,479	6,437

Occidental Trust Co.

Occidental Trust Co. is a relatively small institution with head office at Wawanesa, Man. The company's business is local and it has no liabilities to the public.

Officers—R. Wallace, pres.; G. H. Stephens, vice-pres.; E. L. McDonald, sec.-treas.

Directors—S. H. Henderson, E. L. McDonald, C. M. Vanstone, G. H. Stephens, R. Wallace.

Shareholders' Position

	1935 $	1934 $
Rate earn. per sh.	4.23	4.77
Divs. paid per sh.	nil	nil
Net profits	5,624	6,335
P & L. surplus	29,611	29,298

Okanagan Loan & Investment Trust Co.

This company was incorporated in 1909. Business is centred mainly in the territory surrounding Kelowna, where head office is located.

Officers—B. de F. Boyce, chm.; J. R. Beale, vice-chm.; O. St. P. Aitkens, mgr.

Directors—B. de F. Boyce, Kelowna; J. R. Beale, Rutland; D. Lloyd Jones, A. St. P. Aitkens, Kelowna; A. J. Corner, Kelowna.

Year	Paid-up Capital and Reserves $	Net Profits* $	Div. Rate %	Rate Earned per sh. %
1931	451,000	26,487	4½	6.57
1932	443,000	‡15,899	2	3.94
1933	443,000	‡3,321	..	1.32
1934	443,000	14,220	1	3.55
1935	443,000	11,917	4	2.98

Pub. Liabilities and Assets

	1935 $	1934 $
Dep. & trust funds	50,924	35,786
Mortgage certificates	32,485	36,311
Total	83,409	72,097
Secured by:		
Liquid assets	15,955	10,179
Mortgages & int.	34,969	25,607
Net cap. assets	492,126	496,610
Total	543,050	532,396
Estates, etc.	166,575	177,911

Saskatchewan General Trusts Corp., Ltd.

Saskatchewan General Trusts Corp., of Regina, is a relatively small company, most of its business being in administration of estates, trusts and agencies, which now total slightly more than $2 millions.

Officers—G. H. Baer, pres.; D. Low, vice-pres.; P. C. Clarke, gen. mgr.; R. M. Baer, sec.

Earnings Record

Year	Paid-up Capital $	Net Profits $	Div. Rate %	Rate Earn. %
1929	239,632	*8,126	6	3.9
1930	241,753	747	..	0.3
1931	241,753	1,551	..	0.6
1932	241,753	728	..	..
1934‡	242,036	†3,379	..	..

*Less tax reserve. †Loss. ‡1933 report not available.

The Sun Trust Co.

This company began business in Montreal in 1912, and has accepted deposits since 1931. Both estates and agencies under administration and guaranteed trust funds advanced sharply in 1935.

Officers—A. Vallee, pres.; J. Simard, A. Hudon and J. A. Brillant, vice-pres.; C. Fournier, treas.; Aime Parent, gen. mgr.; J. A. Fugere, mgr. at Quebec.

Directors—A. Vallee, J. A. Simard, A. Hudon, J. A. Brillant, O. Dufresne, J. A. E. Gauvin, J. C. Hebert, Hon. R. Grothe, C. Delagrave, J. E. Labelle, Hon. L. Moraud.

Shareholders' Position

	1935 $	1934 $
Rate earn. per sh.	6.66	5.70
Divs. paid per sh.	6.00	6.00
Net profits	16,645	14,253
P. & L. surplus	26,669	25,355
Creditors' Position		
Deposits	666,048	229,210
Secured by:		
Liquid assets	504,859	150,932
Mortgages	161,188	78,278
Net cap. acc. assets	357,129	365,142
Total	1,023,176	594,352
Estates, etc.	37,112,506	30,089,214

Western Trust Co.

Western Trust Co., Winnipeg, holds mortgages principally on properties in the Prairie Provinces. Adverse conditions in the West have cut into earnings in recent years. The company was incorporated in 1906 under federal charter.

Officers—R. Johnston, pres.; C. A. Adamson, vice-pres. and man. dir.; A. I. Grierson, sec.

Directors—R. Johnston, C. A. Adamson, H. H. Smith, A. B. Adamson, W. J. Tupper, all of Winnipeg; G. R. Whitmore, Regina; W. P. Fess, Toronto; J. H. Lane, Huronville, Sask.

Branch Offices—Regina, Saskatoon, Edmonton.

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits* $	Div. Rate $	Rate Earned per sh. $
1931	1,405,000	45,317	5	4.50
1932	1,405,000	†5,198	2.50	0.51
1933	1,395,250	‡1,535	...	0.15
1934	1,395,250	542	..	0.05
1935	1,395,750	1,059	1	0.10

*After provision for income tax.
†Before deducting balance of income tax to Jan. 1, 1932, $1,556. ‡Before additional income tax applicable to prior years, $1,113.

Pub. Liabilities and Assets

	1935 $	1934 $
Funds for inv't.	715,426	741,986
Secured by:		
Liquid assets	8,184	9,697
Mortgages & int.	707,242	732,28[illegible]
Net cap. ac. assets	1,441,363	1,449,85[illegible]
Total	[illegible]	[illegible]
Estates, etc.	[illegible]	2,399,613

Sterling Trust Co. of

One of the smaller trusts, Sterling Trust Co. of British Columbia has head office in Vancouver. Most of the company's investments are in mortgages. Assets total $300,763.

Officers and Directors—J. D. Hall, pres.; A. C. J. Weeks, vice-pres. & treas.; V. M. Warren, sec.; R. B. Warren, C. J. Loewen.

Shareholders' Position

	1935 $	1934 $
Rate earned per sh.	1.82	1.94
Divs. paid per sh.	2.00	2.00
Net profits	2,530	2,697
P. & L. surplus	14,392	14,586

Trust & Loan Co. of Canada

Incorporated in 1843 in Canada, and by royal charter in 1845, the Trust and Loan Co. of Canada is the oldest company in the Dominion loaning money on first mortgages. Head office of the company is in London, England, with Canadian offices in Montreal and Winnipeg. Early in 1936, shareholders ratified a change in capital stock whereby ordinary shares of £2 will be converted into one five per cent non-cumulative preferred share of £1, and one ordinary share of £1. After all calls to date the preferred will be fully paid, and 2s. 6d. paid on the ordinary shares.

Officers and Directors—Rt. Hon. L. C. M. S. Amery, pres.; F. W. Stobart, vice-pres.; J. H. Newcomb, M. Balfour, P. Lindenberg, R. C. Young, C. R. Snowden, sec.

Shareholders' Position

	1935	1934
Rate earn. per sh.	0.64%	1.91%
Divs. paid per sh.	nil	1%
Net profits	£10,134	£25,849
P. & L surplus	£1,729	£1,863

Victoria Trust & Savings Co.

Victoria Trust and Savings Co. of Lindsay, Ontario, was incorporated in 1887 under the Ontario Building Securities Act, but was later given trust company powers. Mortgages are held largely in Ontario with a small number in the West. Total assets are $9 millions, more than two-thirds of which are in guaranteed trust accounts.

Officers—W. Flavelle, pres.; T. H. Stinson and H. J. Lytle, vice-pres.; C. E. Weeks, mgr.; N. Smale, asst. mgr.; G. H. Shipman, Cannington; G. A. Weeks, estates mgr.

Directors—W. Flavelle, H. J. McLaughlin, H. J. Lytle, J. B. Begg, W. Walden, Canon C. H. Marsh, T. H. Stinson, C. E. Weeks.

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits* $	Div. Rate $	Rate Earned per sh. $
1931	1,670,000	119,284	10	14.83
1932	1,695,000	99,351	10	12.26
1933	1,695,000	64,553	8	7.97
1934	1,695,000	52,641	6½	6.50
1935	1,695,000	55,055	6	6.80

*Reserve for federal taxes and amount written off premises deducted.

Public Liabilities and Assets

	1935 $	1934 $
Invest. certificates	4,889,442	4,704,563
Deposits	1,417,295	1,454,620
Total	6,306,737	6,159,183
Secured by assets:		
Liquid assets	744,922	627,419
Mortgages & int.	5,561,815	5,531,764
Net capital ac. assets	1,703,863	1,697,407
Total	8,010,600	7,856,590
Estates, etc.	964,276	1,031,976

Waterloo Trust & Savings Co.

Waterloo Trust and Savings Co. of Waterloo, Ont., began business as a loan company under Ontario charter in 1913, but was later granted trust powers. The company's mortgages are held largely in Ontrio, although a small percentage is in Western Canada. Earnings have been fairly steady, and in the past two years have almost doubled the $5 a share dividend requirements.

Officers and Directors—E. F. Seagram, pres.; F. S. Kumpf, L. L. Lang, vice-pres.; P. V. Wilson, man. dir.; H. Knell, H. J. Sims, Kitchener; F. Halstead, W. L. Hilliard, T. W. Seagram, W. H. Somerville, T. Hilliard, Waterloo; R. O. McCulloch, G. A. Dobbie, Galt; P. R. Hilborn, Preston.

Branch Offices—Waterloo, Kitchener, Galt, Preston.

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits* $	Div. Rate $	Rate Earned per sh. $
1931	1,450,000	100,062	7	10.00
1932	1,400,000	‡90,686	6½	9.07
1933	1,400,000	‡88,663	5	8.86
1934	1,400,000	‡98,254	5	9.82
1935	1,400,000	‡96,513	5	9.65

*Taxes deducted. ‡Before deducting amount written off for contingencies and depreciation.

Pub. Liabilities and Assets

	1935 $	1934 $
Guaranteed receipts	3,733,412	3,751,396
Trust deposits	5,091,224	4,392,167
Total	8,824,636	8,143,563
Secured by assets:		
Liquid assets	3,420,724	2,962,206
Mortgages & int.	5,403,911	5,181,357
Net cap. acc. assets	1,265,230	1,164,169
Total	10,089,865	9,307,732
Estates, etc.	4,774,915	4,295,292

Loan Companies

Nova Scotia Savings, Loan & Bldg. Society

Established in 1850 in Halifax, the company confines its business largely to Nova Scotia although some mortgages are held in New Brunswick. The company is a mutual society. Every mortgagor or paid-up shareholder participates in benefits.

Officers—Hector McInnes, pres.; A. B. Wiswell, vice-pres.; F. A. Lane, sec. and treas.

Directors—H. McInnes, A. B. Wiswell, Hon. J. F. Fraser, W. Mitchell, W. deW. Barns.

Year*	Total Assets $	Reserve Funds $	Liab. to Public $
1931	2,843,238	284,000	1,089,370
1932	3,115,588	305,000	1,231,210
1933	3,140,758	305,000	1,328,127
1934	3,283,216	305,000	1,399,483
1935	3,370,690	305,000	1,392,025

*Fiscal year ends January 31.

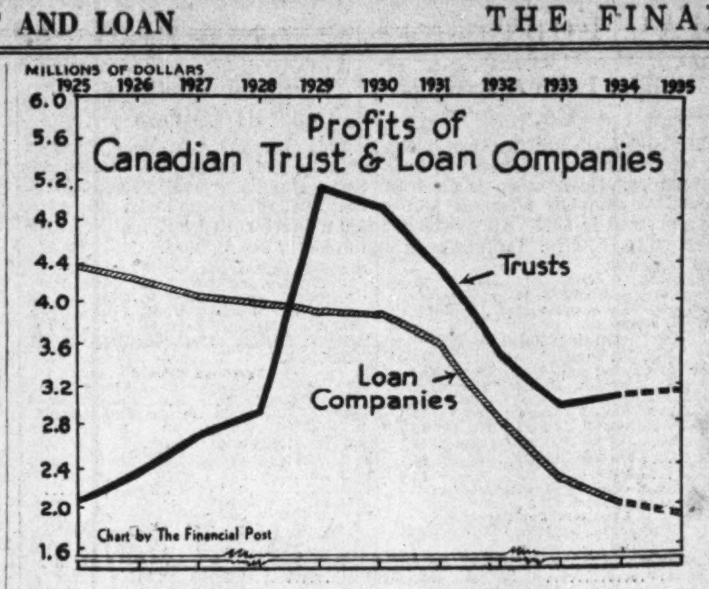
Pelissier Sale Decision Postponed Until March 31

"To comply with new amendments of the Companies' Act," the meeting of Pelissier's Ltd. shareholders, scheduled for March 17 postponed to March 31, it is announced in Winnipeg.

Shareholders were to decide upon the offer of $200,000 made for acquisition of the business. The offer has been approved by directors and on the basis of stock outstanding at January 31, would mean about $60 a share for the preferred, with nothing for common shareholders.

North Star Oil Will Build $40,000 Edmonton Plant

Erection of a $40,000 oil storage plant by North Star Oil Limited at Edmonton is forecast following negotiations between the company and the city by which the North



TRUST EARNINGS GROW — MORTGAGE GROUP DOWN

(Continued from page 18)

securities. And even there, yield on high grade bonds has been so drastically cut that the net return, after paying interest on the invested funds, has been very small. Developments have resulted in greater liquidity, of course—but at the expense of profits.

Position Strengthened

Reductions in the rates of interest paid on deposits and investment certificates have been substantial. However, these have lagged behind declining revenues so that profits have suffered. In a considerable number of companies, dividends have had to be discontinued as a consequence, and in most others the rate has been drastically cut. This has had the effect of strengthening the position of many companies, as earnings have gone back into reserves. Most balance sheets have now been adjusted to low depression values for investments and mortgages. Any appreciation in values would thus serve to increase assets.

Interest Rates

The future earning power of trust and loan institutions is naturally intertwined with the trend of interest rates. As in the past few years declining return on investments was followed by reductions in interest paid on guaranteed and company funds, when the trend of interest is reversed rates paid by the companies should lag behind those on its investments. In consequence, whereas the companies have lost because of this lag, they stand to show improved earnings on this account when rates move higher.

With the huge volume of available funds on the market it is improbable that there will be any immediate advance in rates. Canadian authorities have voiced the opinion, however, that rock bottom has just about been reached, and that probabilities are that when more normal conditions prevail and take up the excess fund in the market, improvement will be shown.

Clean Record

Canada's trust and loan companies have weathered the storm unscathed; all have continued interest payments to depositors and debenture holders. That they have done so is a tribute to efficient management and sound policies.

Company officials report current improvement in collections and foresee a more active construction industry within the next two years. Confidence, lack of which has been at the root of most of the worries of financial institutions, seems definitely on the way back. With general improvement, particularly in western Canada, and with a strengthened financial background, earnings will be on a more secure foundation.

Loan Companies (Continued)

Credit Foncier Franco-Canadien

This company is one of Canada's largest loan companies, with assets of $49 millions. Incorporated in 1880, with head office in Montreal, the company took over the Holland-Canada Mortgage Co. in 1930. Profits have been sharply lower since 1930, but showed improvement in 1934, the last year for which figures are available.

Directors—Count C. d'Anvers, pres., Paris; Hon. R. Lemieux, Montreal, vice-pres.; A. Benac, Maurice Stern, E. de la Longuiniere, H. Jahan, Hon. C. P. Beaubien, Beaudry Leman, Martial Chevalier, R. Masson, Hon. L. A. Taschereau. Censors: Paul Amos, P. Vinson, J. Mignot.

Officers—Vicomte R. de Roumefort, gen. mgr.; J. T. Leclerc, mgr., M. M. Pasquin, mgr.; Armand Chevalier, gen. sec., Montreal; M. Reimel, sec. in Paris; J. Barnett, mgr., Toronto.

Shareholders' Position

	1934	1933
Rate earned on com.	117 fr.	112 fr.
Divs. paid on com.	100 fr.	100 fr.
Net profits	778,143	743,459
P. & L. surplus	636,026	631,638
Creditors' Position	$	$
Debentures	18,748,015	19,341,924
Secured by:		
Liquid assets	4,788,846	5,833,571
Mortgages	40,494,466	42,731,975
Other net assets	2,871,816	2,187,763
Total	48,155,128	49,252,760

Debenture Co. of Canada

This company, which was organized in 1917, has head office in Regina. Most of its funds are invested in tax sale certificates and agreements of sale. There are no liabilities to the public. Earnings have been low in recent years.

Officers and Directors—A. B. McGill, pres. and man. dir.; M. H. Tilson, sec.; E. B. McIntosh, G. A. Maybee, J. C. Poyser, A. G. Orchard.

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits* $	Div. Rate $	Rate† Earned per sh. $
1931	605,734	8,837	3	1.6
1932	606,895	2,011	..	‡0.4
1933	612,176	38	..	...
1934	611,007	284	..	...
1935	613,356	162	..	...

†On average capital. ‡On paid-up capital. *Less income tax.

Capital Account, Net Assets

	1935 $	1934 $
Liquid assets	169,090	173,378
Tax sale certificates	228,224	273,782
Other net assets	433,419	368,548

Empire Loan Co.

A Winnipeg company which has been in business for 32 years. Mortgages and agreements of sale account for practically all the company's investments.

Shareholders' Position

	1934 $	1933 $
Net loss	5,959	7,340
Total deficit	41,049	33,928
Creditors' Position		
Debentures	25,593	26,671
Secured by:		
Liquid assets	10,471	15,274
Mortgages & int.	494,894	479,963
Other assets	237,449	230,893
Total	742,814	725,930

Home Building & Savings Association of Ottawa

This company was incorporated in 1837 with head office in Ottawa. The Home Building and Savings Association is one of the few Ontario companies having terminating stock. Total assets are approximately $75,000.

Officers—W. M. Ross, pres.; T. E. Clendinnen, vice-pres.; A. H. Fitzsimmons, mgr.

Directors—W. M. Ross, T. E. Clendinnen, R. A. Sproule, G. L. Snelling, S. G. Metcalfe, Dr. D. C. McLaren, D. D. Gray.

Profit and Loss Account

	1934 $	1933 $
Interest, fines, etc.	4,075	4,208
Less: Int. on loans	1,835	1,938
General expense	1,457	1,560
Surplus for year*	783	710

*Added to reserve for depreciation on real estate and contingencies.

Surplus Account

	1934	1933
Add: Prev. surplus	4,191	5,521
Paid to shareholders	1,072	1,330
Surplus forward	3,119	4,191

International Loan Co.

International Loan Co., with head office in Winnipeg, began business in 1913 with a Manitoba charter, and took out a Dominion charter seven years later. The company, which has no liabilities to the public, holds mortgage loans largely on properties in the three Prairie Provinces. Assets total $1.1 million.

Officers—H. F. M. Ross, pres.; A. Wishart, vice-pres.; G. W. Argue, man. dir.; C. Dick, sec.-treas.

Directors—G. W. Argue, H. F. M. Ross, J. Hall, J. G. Schill, B. M. Gunn, A. Wishart, J. E. Burns, W. J. Wade, C. Dick P. H. Thorlakson.

Shareholders' Position

	1935 $	1934 $
Rate earn. per sh.*	2.57	2.97
Divs. paid per sh.	...	3.00
Net profits	24,232	27,309
P. & L. surplus	60,909	71,489
Mtges. & real estate	1,035,091	1,071,167
Cash	16,625	38,025
Total assets	1,107,715	1,109,192

*On basis of paid-up capital.

Toronto Savings & Loan Co.

The company was incorporated in 1885 and has its head office in Peterborough, Ont. It has a strong liquid position and has had stability of earnings.

Officers and Directors—H. C. Cox, pres.; W. G. Morrow, vice-pres. and man. dir.; L. McCarthy, vice-pres.; G. H. Thompson, sec.; E. R. Wood, A. H. Cox, G. A. Morrow, S. H. Logan, J. A. McLeod, W. E. Rundle, F. P. Wood, F McCarthy.

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits $	Div. Rate $	Rate Earned per sh. $
1930	2,200,000	212,526	14+2	21.25
1931	2,200,000	209,836	14+6	20.98
1932	2,200,000	*162,325	14+2	16.23
1933	2,200,000	*127,729	12	12.87
1934	2,200,000	*111,060	10	11.11

*Reserve for taxes deducted, $5,000 in 1934; $5,500, 1933; $5,900, 1932.

Pub. Liabilities and Assets

	1934 $	1933 $
Debentures	1,987,918	1,931,509
Deposits	1,322,546	1,361,118
Total	3,310,464	3,292,627
Secured by:		
Liquid assets	3,725,179	3,681,094
Mortgages & int.	748,988	784,594
Other assets	1,144,470	1,124,050
	5,618,637	5,589,738

Niagara Falls Building, Savings & Loan Ass'n

A Niagara Falls company, The Niagara Falls Building, Savings & Loan Association was incorporated in 1887. Its accounts were revised early in 1935 following shortages amounting to almost $100,000. A complete reorganization is soon to be considered by shareholders. The company is one of the few in Ontario with terminating stock. Profits in 1934 and 1935, the only years for which figures are available, were $52,675 and $40,717, respectively.

Officers—U. H. Bowen, pres.; W. J. Hamilton, vice-pres.; J. W. Butters, mgr. and sec.

Directors—U. H. Bowen, J. H. Denton, G. Emery, W. J. Hamilton, J. Harriman, J. B. Mears, S. Packer, H. C. Pattinson.

Earnings Record

Year	Total Assets $	Reserve Funds $	Mortgage and Real Est. Loans $
1931	2,646,509	97,000	2,563,230
1932	2,379,261	96,000	2,210,850
1933	2,072,574	104,444	1,970,573
1934	1,873,264	82,000	1,767,207
1935	1,624,389	....	1,515,021

La Société de Prêts et Placements de Québec

This company, with head office in Quebec, invests chiefly in mortgages. Liabilities to the public are small. Total assets amount to about $1.4 millions.

Officers—Y. Montreuil, pres.; J. E. Fortier, vice-pres.; J. P. Dionne, sec.-treas.

Directors—E. Barry, J. E. Fortier, Y. Montreuil, J. L. Morency, J. A. Grenier.

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits $	Div. Rate %	Rate Earned per sh. %
1931	1,370,000	72,877	8+1	9.10
1932	1,356,914	5,456	5½	0.68
1933	1,331,895	19,690	4	2.46
1934	1,309,678	25,073	4	3.13
1935	1,319,078	25,735	4	3.22

Pub. Liabilities and Assets

	1935 $	1934 $
Deposits	92,730	100,034
Secured by:		
Liquid assets	52,245	61,037
Mortgages & int.	725,529	708,650
Other assets	425,026	444,421
Total	1,202,800	1,214,108

La Compagnie Fonciere de Manitoba

This is a small Winnipeg company with total assets of $768,421. Surplus has been reduced in the past few years as a result of low earnings.

Officers—M. J. A. M. de la Giclais, pres.; T. Turnbull, vice-pres.; A. Griveau, sec.-treas.

Directors—M. J. A. M. de la Giclais, J. E. Quertin, Marquis De Polignac, G. H. Griffin, C. H. Bethmont, Henri Motte, B. E. Chaffey, T. Turnbull.

Shareholders' Position*

	1935 $	1934 $
Net loss	9,927	11,375
P. & L. surplus	8,461	13,066
Creditors' Position		
Debentures	80,300	80,300
Deposits	1,593	6,551
Total	81,893	86,851
Secured by:		
Liquid assets	6,745	10,515
Mortgages, etc.	708,233	708,531

*No earnings or dividends in 1934 and 1935.

Western Canada Investment Co.

This company holds mortgages on Canadian properties with its head office in Edinburgh, Scotland. The unsatisfactory conditions of recent years have reduced earnings on the company's mortgages and investments.

Officers—F. J. G. Borthwick, chm., Black and Armstrong, Canadian mgrs., Winnipeg; C. A. Adamson, signing officer, Winnipeg; Martin, Currie & Co., secs. and mgrs., Edinburgh.

Earnings Record as at June 30

Year	Paid-up Capital† $	Net Profits $	Div. Rate %	Rate Earn.* %
1931	750,000	16,665	5¼	3.3
1932	750,000	6,935	5¼	1.4
1933	750,000	2,268	...	0.4

†Consists of $500,000 preferred stock and $250,000 ordinary. *On preferred.

Year	Total Assets $	Reserve Funds $	Mtge. Loans $
1931	1,346,885	50,000	415,320
1932	1,294,275	45,000	369,815
1933	1,256,675	41,784	352,860

FAITH IN TRUSTS SEEN BY ADVANCE IN ESTATES

(Continued from page 18)

however, that much of the sharp rise in 1928 was due to a number of loan companies taking out trust powers.

From the point of view of the shareholders, trust company operations have not been so successful for the past six years. Although some companies continue to earn and pay dividends of 10 and 12 per cent, most have been hard hit by the general business situation. The shareholders' funds are usually invested by the companies in office premises and in mortgages and investments. The decline in interest rates, coupled with lending legislation and other adverse factors, has meant serious declines in earnings. A large portion of profits accrues from administration of trusts, however, and despite increasing costs of administration in many instances, this feature has served to buoy up earnings above what they might otherwise have been.

Guaranteed Funds Grow

Guaranteed trust funds, as with loan companies, are those on which the company pays a certain specified amount in interest. With most companies they comprise two forms. Deposits are received, usually at an interest rate slightly higher than that of the banks. This rate has paralleled the decline in the bank rate in recent years. And secondly, investment certificates, or debentures, are issued to investors. The return on these is guaranteed for the term of the contract, usually from one to five years. The yield of these certificates has naturally decreased in the past few years as profits moved downward and as demand for loan accommodation lessened. However, it is still above that on most high grade bonds.

As a result of this relatively high yield, and because of the security offered, trust company debentures have been considered one of the most conservative forms of investment.

Employment of Funds

As with capital funds, most of the guaranteed funds are employed in mortgages and securities. In respect to investment of both types of funds, a trust company has no right to make commercial loans, as have the banks, or loans on personal security. Investment powers are partly in trustee securities and partly in securities open to insurance companies. Broadly speaking, the function of trust companies has been to provide time money on first mortgage with adequate fixed assets to secure repayment.

Actual practice has been to place over half of the funds in mortgage investments, and although the proportion has varied from year to year, it has averaged fairly close to the 55 per cent mark since the beginning of the century. Investment in trustee securities has gained in favor in the past 25 years, while that in other securities and in loans on securities has been relatively stable. Call loans, which at one time represented a substantial total, have shrunk to a very small figure. Reason for this development has been not so much a matter of policy but rather that the business is not available.

Expansion Too Great?

Growth of the guaranteed trust department of Canadian trust companies has led to the criticism that this feature is in danger of being overplayed. It is felt by some that this is a secondary function of a trust company—or should be so. The increase, they say, has progressed to a point where trusts are treading on the heels of the loan institutions.

As a matter of fact, many of the trusts developed from mortgage companies. Since the beginning of the century there has been considerable increase shown in the number of trust companies, and at the same time a decrease in loan companies. The explanation is apparently amalgamation of some and metamorphosis of other loan companies into trusts.

From the above, it will be seen that the difficulties of trust companies are centred largely about investment of guaranteed and capital funds. In so far as this is so, the comments elsewhere on this page in connection with mortgage lending and the general situation may apply. In respect to administration of trusts, estates and agencies, the future seems to point definitely to an increase of the volume of funds which they handle.

Electric Output

The output for the year of central electric stations in Canada established a new high record at 23,404,408,000 kilowatt hours, an increase over the 1934 output of 2,244,878,000 kilowatt hours, or 10.6 per cent.

Western Homes, Ltd.

Incorporated in 1915 with head office at Winnipeg, this company invests chiefly in mortgages on city properties. Public liabilities are small; assets total $1.6 millions.

Officers—Willis Argue, pres. and man. dir.; D. J. Dyson, vice-pres.; R. Duncan, sec.

Directors—Willis Argue, D. J. Dyson, C. E. Stockdill, E. J. Brownlee, B. C. Parker, W. A. Bremer, R. Duncan.

Earnings Record

Year	Paid-up Capital and Reserves $	Net Profits* $	Div. Rate %	Rate Earned per sh. %
1931	1,373,643	71,846	4	5.2
1932	1,407,191	65,189	4	4.6
1933	1,426,324	21,303	2	1.4
1934	1,427,044	28,407	..	2.0
1935	1,434,939	20,663	2	1.44

*Before deducting income tax reserve, insurance premiums, etc.

Year	Total Assets $	Reserve Funds $	Liab. to Public $
1931	1,650,571	140,000	50,461
1932	1,630,392	140,000	14,270
1933	1,610,782	140,000	2,245
1934	1,619,332	140,000	3,240
1935	1,615,756	140,000	1,318

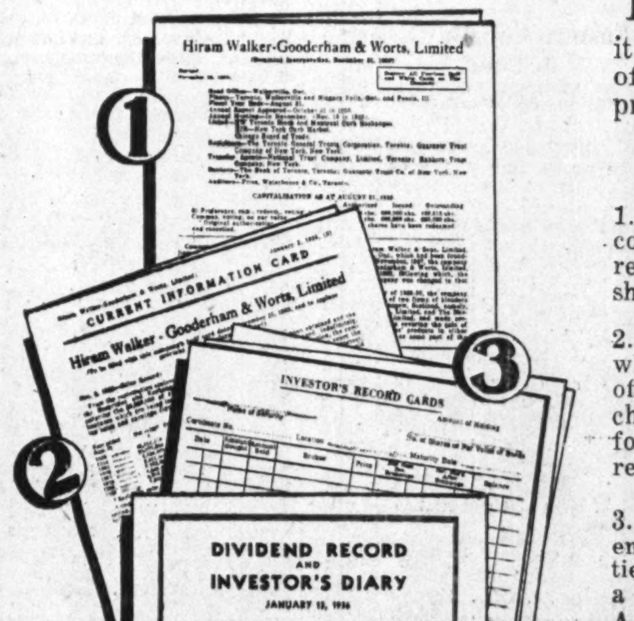
At Your Service in many capacities

Executor, Administrator and Trustee of Estates.
Trustee for Bond Issues.
Guardian, Committee of Estates of persons mentally unsound and of Estates of Absentees.
Registrar and Transfer Agent for Joint Stock Companies.
Depository for Sinking Funds.
Receiver, Assignee, Liquidator and Authorized Trustee under the Bankruptcy Act.
Revenues collected (rents, interest, dividends).

CAPITAL TRUST Corporation Limited
MONTREAL OTTAWA TORONTO

A FOUR-FOLD SERVICE FOR INVESTORS

THE INVESTOR'S SERVICE of The Financial Post Corporation Service will do for you what it is doing for many others — solve your problem of how to keep constantly in touch with your present or contemplated investments.


1
2
3
4
Hiram Walker-Gooderham & Worts, Limited
CURRENT INFORMATION CARD
Hiram Walker - Gooderham & Worts, Limited
INVESTOR'S RECORD CARDS
DIVIDEND RECORD AND INVESTOR'S DIARY
JANUARY 15, 1936
DIVIDEND RECORD
INVESTOR'S DIARY

NOTE—To provide for changes in your portfolio you are permitted during the year to substitute new companies for old ones to a total of half the number of companies covered by your service.

WHAT YOU GET

1. Detailed Analyses — A complete review of each company, its business, history, capitalization, dividend record, officers and directors and seven years balance sheets and earnings statements.

2. News Service — A speedy and reliable news service which keeps you constantly up-to-date. Details of official announcements, progress reports, dividend changes, earnings reports, etc., are immediately sent forward so that you are always well informed with regard to the companies in which you are interested.

3. Investor's Record Cards — Especially designed to enable you to keep a systematic record of your securities, their net cost, subsequent transactions, and, as well, a record of dividends and interest payments received. A supply of these cards is sent with every service.

4. Dividend Record and Investor's Diary — A weekly card giving a record of dividend announcements of Canadian public companies, ex-dividend dates, redemption notices, meeting dates, interest payments due, etc.

WHAT IT COSTS

The Investor's Service may be secured on all important Canadian companies in which there is public investment information. Rates for the service are:
$5 a year for any 4 companies; 5 to 9 companies, $1.25 a company; $12 a year for any 10 companies; additional companies $1.20 each.

A convenient cardboard filing box is supplied with each service.

Select your companies, fill in the coupon below and secure a service to meet your requirements.

The Financial Post Corporation Service,
481 University Ave., Toronto.
Date ....

Please send me, postpaid, the Investor's Service on the attached list of.........companies, at the rate of $5 a year for 4 companies, $12 a year for 10 companies; additional companies $1.20 each. I enclose cheque for $.........
Please send sample card on ....
Name .... Address ....

EVERY ESTATE HANDLED BY THIS COMPANY RECEIVES THE PERSONAL ATTENTION OF A SENIOR EXECUTIVE OFFICER OF THE COMPANY.

WINDSOR AND TORONTO

Guaranty Trust Company of Canada

Can. Investors Buys Into Oils Sells Utilities

Toronto Trust Disposes of Loblaw A Shares and Smelters

BUYS NORANDA, NICKEL

Changes in security holdings of Canadian Investors Corp., management-type investment trust, in the year ended Jan. 31, 1936, show a tendency to liquidate American public utility shares and to buy U.S. oils. The trust was started and is managed through McLeod, Young, Weir & Co., Toronto investment firm.

The trust sold all its $25,000 of Gatineau Power Co. six per cent debentures and reduced its investment in the first mortgage bonds to $23,000 from $35,000. Its $12,000 of Lower St. Lawrence Power seven per cent bonds were redeemed and the funds apparently placed in common shares. The trust sold $25,000 of National Light & Power six per cent bonds, cutting its holding in half.

Changes in Shares

In preferred shares, changes were chiefly purchase of 200 shares in Texas Corp., U.S. oil firm, and sale of all holdings in Columbia Gas and in United Light & Power, American utilities.

Sale of the entire holding of 1,500 Loblaw Groceterias Class A shares is one of the major changes in common stocks. Another is disposal of all shares in Texas Gulf Producing Co., acquired in 1934.

Although all holdings in Consolidated Mining & Smelting Co. were sold in 1935, the trust acquired 1,000 shares in Noranda Mines and 500 shares in International Nickel Co.

Major changes in common share holdings are tabulated as follows:

Canadian Investors Corporation
Changes in Common Shares Held

	Incr. Net	Decr. Net	Held Jan. 31 1936
Amer. Tobacco, B	100	...	100
Amer. Pwr. & Lt.	100	...	100
Andian National.	200	...	200
B. A. Oil	50	...	1,450
Canada Life	...	5	...
Canada Packers..	210	...	210
Can. Dredge & D.	200	...	2,100
Chesep'ke & O. R.	100	...	100
Columbia G. & El.	...	100	...
Continental Oil ..	100	...	100
C'mercial Solvents	...	100	...
Cons. Gas of N.Y.	...	500	...
Cons. Min. & S...	...	137½	...
Corn Products ...	...	303	...
Creole Petroleum	200	...	200
Dominion Bridge.	200	...	200
General Motors ..	200	...	200
Gillette S. Razor..	200	...	400
Gt. Lakes Dredge	300	...	300
Int'l. Harvester ..	...	200	...
Internat'l. Nickel	500	...	500
Loblaw Groc. A..	...	1,500	...
Montreal Power .	400	...	400
Nat. Breweries ..	200	...	200
Nat. Biscuit	200	...	200
Noranda Mines ..	1,000	...	1,000
Ont. Equit. Life..	...	100	100
Pacific Lighting..	...	200	...
Pennsylvania R.R.	500	...	500
Phillips Petroleum	100	...	100
Pub. Service, N.J.	...	300	...
S. Calif. Edison...	...	220	...
Stand. Oil, Calif..	...	100	...
Stand. Oil, Indiana	100	...	100
Supertest Petrol..	...	100	100
Texas Corp.	200	...	200
Texas Gulf Prod'g.	...	4,203	...
Union Oil, Calif..	200	...	200
United Gas Imp..	...	200	...

Municipalities To Refund Debt

Considerable progress is being made in rebuilding the current position of defaulted municipalities in Ontario so that their debenture debts may be reorganized, Premier M. F. Hepburn told the Ontario Legislature in the course of his budget speech.

It is anticipated, he stated, that during 1936 some 10 to 12 refunding plans will be formulated and presented to creditors for this consideration.

Provision for total or partial interest payment on debentures of the defaulted municipalities will be included in the 1936 budgets of these municipalities, Mr. Hepburn said. Close supervision of the budgets is being exercised by the Department of Municipal Affairs.

Hepburn Resists High Gasoline Tax

Opposition Member Suggests 9 Cents Per Gallon on Gasoline

The member of parliament for Carleton County in the Ontario Legislature, A. H. Acres, proposed that an additional three cents per gallon on the present gasoline tax of six cents an Imperial gallon would be a better method to get revenue than the income tax policy adopted by the Government. He also suggested a tax on meals served in hotels and restaurants, and the legalizing of sweepstakes.

Premier Hepburn in reply stated a large burden would thus be added to motorists. It would add to the cost of transportation by bus, and the poor man and his family would suffer most. It would also add to the cost of transportation by truck, he said, and thus would add to the cost of commodities and the cost of living.

Premier Hepburn declared the Liberal policy with respect to taxation on gasoline to be as follows: To drive out the gas tax bootlegger; to see that the collectors of gasoline tax make proper returns; and to see that the public treasury gets the full amount of tax to which it is entitled. He declares that the shortest and surest road to tax reduction is by way of an efficient tax administration.

Walker on Big Board, Withdraws from Smaller

Hiram Walker - Gooderham & Worts have withdrawn from listing and registration on the Chicago Board of Trade 460,813 shares of preference stock and 660,000 no par value common shares, the total now issued. This followed the registration on the New York Stock Exchange.

The New York Curb Exchange is striking off these securities from its lists as well for the same reason.

Payments to Investors $39 Millions in March

Month's Dividend Disbursements More Than Double Corresponding Month of 1935

March dividend payments will be more than double the amount paid in the 1935 month, a compilation by The Financial Post shows. Disbursements, it is estimated will amount to $19.1 millions as against $9.4 millions in March, 1935.

Bond interest payments on the other hand will be slightly lower at $20.1 millions as against $20.8 millions in the corresponding month of 1935. Total dividend and interest payments will amount to $39.3 millions, an increase of 33 per cent.

Initial dividends, increased rates, payments on arrears, extra disbursements and capital distributions, all contribute to the increase in dividend payments.

Initial dividends are to be paid during the month on the common stocks of Canadian Celanese and Hiram-Walker, G. & W. The former is paying 40 cents a share and the latter 50 cents. While the Hiram-Walker, Gooderham & Worts dividend is an initial distribution on the present common stock, dividends were paid on the old common prior to reorganization of capital in 1932.

Maritime Trust Co. contributed to the increase in payments by raising its dividend rate from $1.50 to $2.00 a share. Acadia Sugar Refining Co. and Sherwin-Williams Co. are making payments of 7½ cents and $1.75 respectively on account of preference arrears.

Extra dividends have been declared by Electrolux Corp., Crown Life, Lake Shore mines and Siscoe Gold Mines.

The most important factor in the increase in the month's payments is a capital distribution of $8 a share made by Granby Consolidated Mining, Smelting and Power Co. Ltd., March 10. This involves disbursements of $3.3 millions.

Record of March dividend and bond interest payments follows:

SUMMARY OF MARCH PAYMENTS

	1936 $	1935 $
Dividends	19,176,291	9,440,340
Bond interest	20,149,222	20,803,055
Total	39,325,513	30,243,395

DIVIDEND PAYMENTS

Company	Rate $	Date	Amount $
Acadia Sugar pf.......	.07½	2	22,500
Do., on arrears......	.07½	2	22,500
Agnew Surpass, c........	.20s	2	15,904
Anglo-Can. Tel. "A"..	.12½q	2	15,750
Assoc. Brew. c...........	.15	31	33,690
Bk. of Montreal..........	2q	2	720,000
Bk. Can. Nationale......	2q	2	140,000
Bk. of Toronto..........	2.50q	2	150,000
Biltmore Hats, pfd.....	1.75q	14	4,070
Bright, T. G..........	.07½q	14	7,500
Do., pref............	1.50q	14	11,857
Can. & Dom. Sugar..	.37½q	2	187,500
Can. Malting..........	.37½q	16	74,614
Can. Vinegars..........	.30q	2	27,600
Can. Bk. of Commerce...	2q	2	600,000
Can. Celanese..........	†.40	31	100,163
Do., pref............	1.75q	31	157,500
Do., participating......	.95	31	85,500
Can. W. Nat. Gas pf...	1.50q	2	46,102
Capital Trust............	3a	2	26,502
rown Life, extra.....	‡25%	20	57,400
om. Scott. Inv. pfd....	.25q	2	14,825
lectrolux..............	.40q	16	495,000
Do., extra..............	.10	16	123,750
alconbridge, N.......	.07½	28	249,127
anby Cons............	*8	10	3,300,000
n. Un. Theat...... pfd..	1q	31	7,879
llinger Cons..........	.05	24	246,000
o., extra.............	.05	24	246,000
Inter. Coal, c...........	‡1c	2	*30,000
Imperial Tob., ord....	.08¾q	31	826,965
Do., final...........	.17½a	31	1,653,930
Do., pref............	3⅝s	31	240,900
Inter. Mining...........	.15q	20	60,000
Inter. Nickel, c.........	.25q	31	3,646,006
Lake Shore Mines......	.50q	16	1,000,000
Do., extra...........	.50	16	1,000,000
Lake of Woods M. p...	1.75q	2	26,250
Loblaw, A & B........	.25q	2	207,637
Louisiana Land..........	.10	16	300,000
McColl-Fron. c.........	.20q	14	110,000
McIntyre Mines.........	.50q	2	399,000
Macassa Mines..........	.05	2	131,400
Maritime Trust..........	2a	1	5,404
Mitchell, J. S., c..........	1	2	15,000
Montreal Cott. pf......	1.75q	15	52,500
Mtl. Loan & Mtge.....	.50q	16	12,000
N. Meth. Ldry. pf..	1.62½q	2	4,062
N.S. L. & Pr., pf......	1.50q	2	18,750
Ogilvie Flour, pf......	1.75q	2	35,000
Ont. Silknit, pfd.......	1.75q	16	17,500
Paton Mfg., pfd.......	1.75q	15	10,500
Petrol Oil & Gas........	.02	1	4,400
Do., bonus............	.02	1	4,400
Photo Engravers.......	.50q	2	15,000
Pickle Crow............	†.05	31	150,000
Provincial Bank......	1.50q	1	60,000
Reliance Grain, pf...	1.62½q	14	32,500
Rolland Pap., pfd.....	1.50q	2	22,500
Royal Bank..............	2q	2	700,000
Sher.-Williams, pfd...	*1.75	15	60,550
Siscoe Gold.............	.05q	14	230,503
Do., extra..............	.01	14	46,100
So. Amer. Gold & Pl.....	.10	30	176,000
Sylvanite Gold..........	.05q	31	164,975
Third Can. G. Inv. Tr....	.08	16	48,408
Tor. Gen. Insur..........	.25a	15	23,696
Walker-Good...........	†.50	16	330,000
Do., pref..............	.25q	16	115,202
Total			19,176,291

q—Quarterly. s—Semi-annually. a—Annually. †Initial. *For quarter ending May 31, 1934. ‡Interim.
*Capital distribution.

BOND INTEREST DUE IN MARCH

Company:	Rate	Date	Due	Amount
Adel. Shep. Bldg...	5	15	1948	$18,477
Atlantic Util. A....	5	1	1963	12,500
Bawlf Ter. Elev....	6½	1	Serial	4,225
Bell Tele., A........	5	1	1955	750,000
Brit. Amer. Oil.....	5	1	1945	107,087
Brit. Amer. Oil......	4	1	1945	80,000
B.C. Elec. deb. stk.	4¼	30	Perp.	287,355
B. C. Power, A....	5½	1	1960	273,240
Do., B	5	1	1960	99,325
Can. Bakeries......	6½	1	1945	21,118
Can. Nat. Rly......	4½	1	1951	1,125,000
Can. Nor. Ont., 1st mtge..........	3½	31	1936	137,547
Do., deb. stk.......	3	31	1953	140,398
Can. Pac. Rly.....	4½	1	1946	450,000
Do., convert.......	6	15	1942	375,000
Dom. Steel, Inc...	†6¼	1	1955	77,140
Ellis Park Apart...	*7	5	1945	9,121
Dom. Textile.......	4½	1	1955	101,250
Garment C. Capitol	6½	1	1942	17,979
Gleneagles Invest. Inc. A............	*5	1	1944	21,046
Gt. West. Sadd.....	6	1	1948	16,650
Gypsum, Lime, Ala.	5½	1	1948	97,625
Hillcrest Coll........	5	1	1940	8,125
Hotel Victoria......	6	1	1949	15,000
Inter. Power.......	6½	1	1957	157,500
Int. Pwr. gold deb..	6	1	1957	97,500
Lindsay, C. W.......	6	1	1958	12,000
Mersey Paper, A...	6	1	1949	56,985
Northern Tele.......	6	1	1948	4,740
N. B. Power	5	1	1937	41,925
Ontario B'ldg.......	3½	1	1943	14,000
Peel St. Rlts.......	6½	1	Serial	16,006
Power Corp., B....	4½	1	1959	196,852
Prov. L. Heat.......	5	1	1946	19,225
Stand. Lime........	6	1	1944	15,930
Ritchie Cut Stone..	6½	1	1948	1,722
Robin, J. & Whit....	6	1	1950	5,400
Silverwood's	7	1	1937	4,091
Toronto Carpet, A..	6	1	1944	18,660
Trail Apts...........	6	1	1947	870
Un. Amuse., A.....	‡6	1	1942	35,563
Viceroy Mfg.......	6½	1	1950	8,385
West Koot.. Pr. A..	‡5	1	1956	158,250
Corporation bonds				5,089,786
Municipal				2,215,736
Provincial				4,624,400
Dominion				8,219,300
Total				20,149,222

*Payment of 1½ per cent covering the balance of the interest due June 30, 1934, and ½ of 1 per cent on account of the interest due Dec. 31, 1934.

*Coupon No. 20 due Feb. 1, 1935.

†Payment of 1¾ per cent in respect of earnings for six months ended Dec. 31, 1935. ‡Redeemed Mar. 1, 1936.

Ontario Budget Shows Big Cut in Expenditure

Capital Outlays Slashed — '36-'37 Surplus Depends on Relief, Income Tax — Debt Increase Understated

Outstanding in Ontario's budget for the year ending March 31, 1936, as presented by Hon. M. F. Hepburn, premier and provincial treasurer, is a slashing of over $30 millions off capital outlays, as compared with the preceding year. Another encouraging sign is Mr. Hepburn's emphatic claim he will balance the budget in 1936-37.

Another reduction is effected by cessation of lending under the Agricultural Department Board. It is anticipated losses of millions will be realized eventually in cleaning up the $46 millions of loans made over the past 13 years.

Deficit and Relief

The 1935-36 deficit is $13.5 millions including outlays of $20.4 millions on unemployment relief, compared with a deficit of $30.6 millions in 1933-34. The expenditure on relief was $5.4 millions more than Mr. Hepburn forecast a year ago. In predicting a reduction of $7.8 millions in relief expenditures for 1936-37, Mr. Hepburn puts it up to Hon. David Croll, Minister of Welfare.

In addition to direct relief expenditures, there were heavy capital outlays on the trans-Canada highway under the Department of Northern Development. This department, under Hon. Peter Heenan, also incurred heavy capital expenditures for "main office and districts." It is understood Mr. Heenan is expected to make an effort to get these outlays down in line with reductions in other departments.

Mr. Hepburn's budget experience is as follows:

Ontario 1935-36 Budget
(In Millions of Dollars)

	Actual	Forecast	Difference
Ord. expenditure ...	72.1	73.3	—1.2
Add: Relief	20.4	15.0	+5.4
Total expenditure ..	92.5	88.3	+4.2
Ord. revenue	79.0	73.7	+5.3
Deficit	13.5	14.6	—1.1

Revenue and Expenditure

The major factor in increasing revenue was energetic collection of succession duties so that $2½ millions more was raised than forecast. Also increased amusement taxes brought in $1.2 millions more than expected and they have since been reduced. Other increases in revenue are spread over various departments, and measure up to predictions.

The record of ordinary expenditures is remarkable for the fact that estimates were unusually accurate in most departments and that outlays were within the forecasts for nearly all.

The chief increases in ordinary expenditures over estimates were $400,000 in the Department of Health due to increased hospital grants, and $146,000 in Mr. Hepburn's treasury department which he explains as due to expenditure on collections. This, he says, was good business.

Balance Predicted

It is difficult to compare results for 1935-36 with predictions for next year because Mr. Heburn uses gross figures for the current year's ordinary revenue and expenditure but referred to the 1936-37 budget in net figures. However, he forecasts expenditures at $71.7 millions, including $12.6 millions for relief, and revenues of $72.3 millions. This would give a surplus of $600,000 for 1936-37.

The chief reduction to be made in expenditures is $7.8 millions off unemployment relief. The major increase in revenue is expected from the new income tax which is estimated to produce $6 millions. These two forecasts alone, if fully realized, would wipe off the deficit incurred this year.

Confusing Statements

In his budget address, Premier Hepburn stated the increase in Ontario's gross debt in the 11 months ended Feb. 29, 1936, was $14,245,657. And he predicted that there would be an actual decrease of $10,560,338 in the gross debt in the 1936-37 year.

The increase in debt this year is accountable approximately as follows:

Calculated Increase in Debt
(In Millions of Dollars)

	Actual	Forecast	Difference
Ordinary deficit	13.5	14.6	— 1.1
Add: Net cap. pay'ts	15.4	17.3	— 1.9
Less: Net loan receipts	14.6	...	+14.6
Debt increase	14.3	31.9	—17.6

It should be noted that over $14 million—which was not forecast—has been repaid to the province, nearly all by the Hydro-Electric Power Commission. This allows some understatement of the debt increase because the Hydro has borrowed itself to pay off the government. Instead of continuing to act as the Hydro's banker, the province is receiving payment of former loans and the Hydro is doing its own borrowing.

Future Debt Situation

The same feature of the debt situation should be noted in connection with the prediction of a reduction in 1936-37. Repayments from the Hydro will bulk large in any such reduction. The government's net debt will continue to increase, even though the ordinary budget is balanced, as long as capital expenditures are made.

At March 31, 1935, the government's loans to Hydro stood at $187.9 millions. These advances represent money lent to develop Hydro and borrowed by the province on its own bonds. As bonds mature, the portion incurred on account of the Hydro is being taken over from the province. By this means, the debt to the government will gradually be liquidated, according to present plans, but this does not mean that the debt disappears. It becomes part of the Hydro's debt and must be paid off out of earnings.

This change in financing arrangements may allow governments to show decreases in the provincial debt for many years although the government's portion of the combined debt may be rising.

St. Lawrence To Cut Values

Paper Company to Write Down Capital Values by $15 Millions

From Our Own Correspondent

MONTREAL. — Directors of St. Lawrence Paper Mills will recommend for approval to the shareholders a plan for writing down certain capital assets of the company to present day values.

It is proposed to write the values in the 1935 balance sheet by over $15 millions. This figure covers a reduction in the book value of timber limits from $11.6 millions to $1.8 millions; real estate and buildings from $4 millions to $3.1 millions; mill machinery and equipment from $9.9 millions to $7.8 millions. This reduction will then give the fixed assets a book value of $12.8 millions, as against the present figure of nearly $25.6 millions.

Wipe Out Deficit

In addition the writing down of values will permit the wiping out of the accumulated deficit amounting to $2½ millions.

In order to effect this change, it is proposed to change the book value of 514,675 shares of no par value common stock from $12,121,225 to $514,675, or, in other words, from about $23 to $1 a share.

In addition the greater part of the reserves will be used; the write down being from $3.5 millions to $135,894.

By this transaction, the actual value or number of the shares outstanding will not be affected.

Guarantee Co. Declares Bonus on Common Stock

From Our Own Correspondent

MONTREAL.—In addition to the regular quarterly dividend of 3 per cent, the Guarantee Co. of North America has declared a bonus of 5 per cent for the quarter ending March 31, 1936, payable on April 15.

George H. Reaney, president of the United States Guarantee Co., of New York, has been elected a director of the company in succession to the late Hon. E. C. Smith of St. Albans, Vt.

Securities Commission Has $50,000 Surplus

Ontario Securities Commission in 1935 had an excess in revenue over expenditure of more than $50,000, revealed Premier Hepburn in his budget speech.

This surplus, stated Premier Hepburn, arrived even though the work of this branch had multiplied five times, and nearly $1 million of the public's money had been recovered by the commission.

During the former regime, he stated, the administration of the department had a deficit of nearly $14,000.

Toronto Stock Exchange Hits Depression High

On March 1, total quoted values of all stocks listed on the Toronto Stock Exchange reached $5,033.4 millions, more than $100 millions greater than on February 1 and the highest since 1929.

There were 420 stocks listed and these represent 80 per cent of the corporate securities of Canada.

Utilities made the highest advance to $731.7 millions, up $48 millions. C. P. R., Power Corporation and Shawinigan contributed largely to the gain registered for the 24 stocks in this section.

Texas-Canadian Oil To Increase Capital

Texas-Canadian Oil Corp. has summoned an extraordinary meeting of shareholders to be held at the office of the company in Nassau, Bahamas, for the purpose of increasing the capital stock by 1.5 million common shares, par value $1 each. One million shares of the new issue when approved will be distributed as of April 30, 1936, to the shareholders of record April 15, 1936, on the basis of one share fully paid for each share held. The additional 500,000 new shares will be retained in the treasury. M. I. Watters, secretary, states that a recent appraisal and revaluation of the company's oil reserves and fixed assets has established a value far in excess of the $2.5 millions capital, which will be authorized when the special resolution is passed.

McColl-Frontenac Oil Extends Special Capacity

From Our Own Correspondent

MONTREAL. — McColl-Frontenac Oil Co. has arranged with the Gray Process Corp. for an increase in its licensed "clay treating" capacity. The process is used by McColl in both its Toronto and Montreal refineries.

DOMINION BATTLESHIP LINOLEUM

A CUSTOM-BUILT FLOOR TO SELL AUTOMOBILES

SHOWMANSHIP will help you sell automobiles — automobiles, or any other product. Start with a smart, custom-built floor that reflects the character of your business. Attractive border effects can be created . . . emblems or trademarks reproduced — with Dominion Battleship Linoleum . . . this noise-reducing, easy-to-clean floor covering coming in 19 different colours and effects.

SURPRISINGLY INEXPENSIVE

Consult a specialist; your house furnishing store or a floor covering contractor will gladly submit designs and prices for a new, custom-built Dominion Battleship Linoleum floor. Ask about our 5-year guarantee.

DOMINION OILCLOTH & LINOLEUM CO. LIMITED
Montreal

Fair Play, Please

WHAT would you think were this an announcement that the MacLean Publishing Company, after fifty years' service to the Canadian people, is compelled to move to the United States in order that it may be able to continue in the business of publishing national magazines and papers edited solely in the interests of Canadians and as media for the expression of Canadian thought?

You would find it hard to believe. Convinced of the justness of our reasons, you would, as a Canadian, be resentful of the causes, particularly were you to learn that in forcing Canadian-owned businesses out of their own country, a government was holding open house for foreign publishers; stimulating an avalanche of periodicals designed to foster the interests of another people.

We are not making such an announcement. *Maclean's* is not planning to quit Canada. The livelihood of hundreds of Canadian men and women is involved. We employ nearly five hundred people in our Toronto plant and offices; many more throughout the Dominion. They and their families depend on us.

We cannot believe that the Canadian Government, apprised of the facts, will decline to remove handicaps which, if they persist, might make such a move necessary.

We cannot believe that the Canadian Government is not aware of the value of national publications in the building of national consciousness and understanding.

But the weight of the Canadian publishers' production costs, raised by taxation to a point vastly higher than those of our United States competitors, and the action of the Canadian Government in removing all duties and taxes from those competitors, without equalizing reductions in taxes on the native product, means that, on the existing basis, Canadian publishers cannot continue indefinitely to maintain national publications, much less develop and expand.

The situation in which Canadian publishers have been placed by the present Government is, as an example of unfair discrimination, unique.

We feel you ought to be told about it.

The Whys of the Tariff

THE Liberal Government in power under Right Honorable W. L. Mackenzie King in the years 1926-1930, recognized the handicaps under which Canadian publishers were carrying on their work in competition with United States magazines. It granted drawbacks on duties paid on raw materials, exemptions from sales taxes on certain items, and lower postage.

As a result, Canada's own national publications made big strides. But United States periodicals continued to flood this market, glorifying American institutions, American personalities, American history, American politics, and the products of American labor—all very suitable for United States readers, but not for Canadians.

In 1931, the Conservative Government, under Right Honorable R. B. Bennett, realizing the effect of such reading upon our national life, decided to slow down the Americanization of a British people by placing a tariff on foreign publications.

The tax was NOT on reading matter. There was no tax at all on publications containing less than twenty per cent of advertising matter. The rate was two cents a copy on magazines containing twenty to thirty per cent of advertising and five cents a copy on magazines containing more than thirty per cent of advertising.

The result of those taxes was an increase in the price of United States publications sold in Canada and a consequent decrease in their circulations.

Instead of sheltering under the tariff, Canadian publishers, without exception, passed on all benefits to the Canadian reader. They improved their magazines immeasurably; secured better material by paying more for it. *Maclean's* as soon as it could do so, cut its price in half. Magazine plants were extended and payrolls lengthened.

Production Costs Raised

BUT let it not be thought that Mr. Bennett had created a paradise for Canadian publishers. Before the tax was placed on the advertising content of United States magazines, drawbacks of duty on raw materials were cancelled. This increased the costs of those materials far beyond those enjoyed by competitive publishers in a more thickly populated country, who regarded Canadian circulation as overflow and "gravy".

Because of the Canadian Government's depression-born financial position, exemptions were removed and taxes and postage increased.

The case of one Canadian magazine is typical:

Cancellation of the drawback on the duty against magazine paper increased the cost of this single item by $35,000 a year.

Cancellation of the fifty per cent exemption from sales tax on paper (in 1933) increased the costs by $5,000 annually.

Increase in the postage rate on magazines from one cent per pound to one and a half cents increased the annual costs by $12,000.

There was a yearly increase of $52,000 added to normal production costs of one magazine.

In the case of the MacLean Publishing Company, because of these handicaps, not shared by its foreign competitors, the cost of producing its four magazines in 1935 was more than $100,000 greater than would have been the case in 1930.

Maclean's Magazine alone, in 1935, paid $13,300 in sales taxes on the paper, ink and engravings it used.

It contributed $49,000 to the Canadian post office.

Now it is compelled to compete with the finished products of publishers of another country who pay none of those duties, excise or sales taxes.

Maclean's and *Chatelaine* pay hundreds of thousands of dollars to Canadian mills for the paper they use.

They must compete with foreign periodicals printed on paper (a lot of it made from Canadian pulp) bought at prices considerably lower than those obtainable in Canada.

And now, under the recent treaty with the United States, Premier King has removed all duties imposed upon United States periodicals by the previous Government.

So far, he has taken no action to remedy the inequality of the Canadian publisher's position, which he recognized when last in power.

Only Equal Treatment Asked

THE Canadian publisher is not seeking a shut-out of foreign publications. All he asks for is treatment that will be at least equal to the treatment given to his competitors.

The elimination of the tax on United States magazines would not worry him were his production costs placed on a level even approximating those of his foreign rival.

If a Canadian editor wanted to import an illustration by a famous Canadian illustrator residing in New York, the duties and taxes he must pay on that drawing would be an additional third of the value. And the Canadian Government also would collect income tax from the artist.

But let a United States editor buy that drawing and he can print it and ship the finished product into Canada, largely by freight, free of all duty and sales taxes.

If an American advertiser wants to spend money in Canada by taking space in a Canadian magazine, the publisher must pay duty, excise tax and sales tax on the halftone plates required for good printing.

But precisely the same advertisement, placed in a United States publication, can be distributed in avalanches throughout the Dominion without payment of any tax whatever.

Is that fair?

Restricting Canadianism

IN JULY, 1931, Right Honorable W. L. Mackenzie King, speaking in the House of Commons in opposition to Right Honorable R. B. Bennett's proposed tariff covering foreign publications, said this:

"I deplore any tax which will in any way restrict the widest spread of views and ideas throughout communities, particularly communities that are neighbors."

By removing the tax on alien publications he has removed all restrictions limiting the spread of UNITED STATES views and UNITED STATES ideas throughout Canada.

Canadian publishers submit that it is more important that there be no restriction of the widest spread of Canadian views and Canadian ideas, "particularly among communities that are neighbors".

What are the Canadian provinces but neighbors?

What views and ideas have United States publications that are of greater benefit to the people of Canada than are the views of Canadian editors and Canadian authors?

What Do You Think?

DO YOU, readers of *Maclean's*, or of any other Canadian publication, think that Canadian magazines have been given a square deal?

Do you think there is justice in the fact that Canadian policy compels Canadian publishers virtually to subsidize their United States competitors?

The Government, in studying the case, is bound to take into consideration the opinion of the Public of this country.

You are Public Opinion.

Do you think it is in your interests, in the interests of the Dominion, that Canada should permit its own native magazines to continue their work?

If so, you will want to see the present discriminations rectified.

Will you give us your opinion in the matter? If we haven't made our case clear and you would like more information, it will be gladly given on request.

In any case, will you be good enough to write us your views?

THE PUBLISHERS OF MACLEAN'S.

Quotations

Montreal, Toronto Listed and Curb Prices

Canadian Bond Markets

This table is confined to official prices for actual transactions in listed stocks. Where no recent sale has taken place on stock exchanges, and for stocks that are not listed, The Financial Post endeavors to get quotations from unlisted dealers, which will be found under the heading of "Unlisted Stocks" on this page.

MONTREAL, TORONTO AND CURB STOCKS
WEEK ENDING MARCH 16

Range 1936 High	Low	Div R'te $	Mar14 Y'ld %		Sales	Last Mar. 9	Week end. Mar. 16 H	L	Cl'se
				A					
2.50	1.25	.	...	Abitibi	5788	2.12	2.12	1.25	2.00
13	6¾	.	...	Do. pref. 6%	1250	9½	10½	8¾	9½
12½	6¾	.	...	Do. cert. dep.	10	9	9	9	9
12½	11½	.	...	Acme Glove	100	12	12	11½	12
53	47	3.25	6.5	Do. pref.	10	52	50	50	50
10	9½	40c	4.3	Agnew Surp.	....	9½	(Mar. 9)		
107	100	7	6.7	Do. pref.	5	105	105	106	105
6	4	.	...	Alta. Pac. Gr.	....	5¾	(Mar. 9)		
39	25	.	...	Do. pref.	70	35	33½	32	33½
*25	25	.	...	Aluminium	....	25	(May 17, '35)		
*97	97	.	...	Do. pref.	....	97	(Dec. 6, '35)		
3	2	.	...	Amal. Electric	....	3	(Mar. 5)		
23	14	.	...	Do. pref.	....	20	(Mar. 4)		
40½	29¾	15c	...	Amer. Cyn. B.	....	37	(Feb. 28)		
54½	51¾	3.50	6.4	Ang. C. Tel. p.	....	54½	(Mar. 9)		
24	17½	.	...	Asbestos v. t.	934	21¾	22	20¾	20¾
15	10	15c	...	Assoc. Brew.	150	11	11½	10½	11
110	108	7	6.4	Do. pref.	....	110	(Mar. 3)		
2¾	½	.	...	Assoc. Can.	....	½	(Feb. 11)		
35	34	.	...	Assoc. T. & T. p	....	35	(Feb. 12)		
106	105½	7	6.6	Atlan. Sugar, p	10	106	106	105½	105½
				B					
57½	51½	2.25	4.2	Bank of Canada	489	55	57½	53¾	57
140	133	8	5.8	Bk. Can. Nat.	55	138	138	137	137
214	185	8	4	Bk. Montreal	325	207	203	185	189
300	271	12	4.2	Bk. N. Scotia	154	296	295	285	285
235	225	10	4.2	Bk. Toronto	....	235	(Mar. 6)		
13½	13	50c	...	Barcelona	....	13½	(Jan. 13)		
17¾	10½	.	...	Bathurst Pr.	13555	13½	13¾	10½	12½
5¾	3½	.	...	Do. (B)	55	4	3½	3½	3½
4	1½	.	...	Bawlf Grain	255	3½	3½	3½	3½
38	27	.	...	Do. pref.	60	33	33	31	31
3	2½	.	...	Beath & Sons	....	2½	(Feb. 29)		
15	11¾	.	...	Beatty Bros. A.	85	13	13	12¾	12¾
104	96	6	5.8	Do. pref.	....	104	(Mar. 5)		
3¾	2½	.	...	Beauharnois	1020	3	3	2¾	2¾
105	105	4	3.8	Belding Cort.	....	105	(Feb. 12)		
130	130	7	5.4	Do. pref.	....	130	(Mar. 4)		
150	140	6	4.1	Bell Telephone	810	146	146½	140	144
32	30	1.25	...	Biltmore Hats	....	31	(Mar. 9)		
110	110	7	6.4	Do. pref.	....	110	(Jan. 13)		
5	3½	.	...	Bissell, T. E.	....	4½	(Mar. 9)		
50	33	.	...	Do. pref.	5	50	50	50	50
5	3½	.	...	Blue Ribbon	....	4½	(Mar. 2)		
30	27	2	6.7	Do. pref.	35	28½	30	30	30
31½	30	2	6.5	Brant. Cord., pf.	65	31	31	30½	30½
15½	9¾	.	...	Brazilian Tr.	63910	12¾	13¾	11¾	12½
1.40	.80	.	...	Brew. & Distil.	2090	1.10	1.10	.80	1.00
4½	2½	.	...	Brewing Corp.	5455	3½	3¾	2¾	3
18	13½	1.50	10	Do. pref.	2047	16½	16¾	14¾	15¾
9	9	30c	3.3	Bright, T. G.	10	9	9	9	9
82	80	6	7.5	Do. pref.	....	82	(Mar. 6)		
23¾	16½	80c	3.8	Brit. Amer. Oil	13459	21	21¾	20	21½
13	9	.	...	B. C. Packers	101	10	10	9	9
32¾	28½	1.60	5.2	B. C. Power (A)	789	31½	31¾	30	31
5¾	4	.	...	Do. (B)	105	5¾	5	4¾	4¾
16	13½	1.20+10c	8.7	Bruck S. M.	945	15	15½	14½	14½
37½	33	1+25	3.6	Building Prod.	720	36	35½	34½	35
47¾	37½	2	4.5	Burt, F. N.	343	46	46	43½	44
				C					
86½	86½	6	6.9	Calgary Pr. pfd.	....	86½	(Feb. 19)		
6	4½	.	...	Canada Bread	765	5	5½	4½	4¾
95	90	2.25	...	Do. pref. A.	17	95	94	94	94
44	39	.	...	Do. pref. B.	31	41	40½	40	40
8½	6¾	.	...	Canada Bud	1130	7½	7	6¾	6¾
8	6¾	.	...	Canada Cement	1910	7	7	6½	6¾
75	58	.	...	Do. pref.	418	65	66	62	64
61½	58	1.50+50c	3.4	C. & D. Sug.	70	59½	58½	58	58
b16½	13½	.	...	Canada Dry	10400	14	14¾	13½	13¾
7	5	.	...	Can. Forg. (A)	55	6	7	7	7
2	2	.	...	Do. (B)	....	2	(Jan. 23)		
40	40	.	...	Canada Iron	....	40	(Feb. 26)		
60	60	3	5	Do. pref.	1	51	60	60	60
525	520	20	3.8	Canada Life	....	325	(Feb. 11)		
35	31¾	1.50+50c	6.2	Can. Malting	1612	33½	34	31¾	31¾
25¾	22½	1.20	5.2	Can. Nor. Pr.	338	24	24½	23	24
110	107¾	7	6.4	Do. pref.	47	110	110	109	109
93	82½	3	3.4	Can. Packers	75	89	89	87½	88
111	105	.	...	Can. Paper, pf.	....	111	(Feb. 20)		
*.05	.05	.	...	Can. Paving	....	.05	(Aug. 2, '35)		
2	2	.	...	Do. pref.	....	2	(Feb. 5)		
160	137½	8	5.2	Can. Perman.	54	156	156	153	153
3½	1¾	.	...	Can. Steamsh'ps	155	2½	3	2½	2½
15½	8	.	...	Do. pref.	468	10	10¾	10	10½
27	20¾	1.20	5.7	Can. Vinegars	380	21½	21½	20¾	21
27	20½	.	...	Can. W. Cable	40	26	26½	25	25
12½	9	.	...	Do. (B)	....	10	(Mar. 9)		
99½	98½	.	...	Do. pref.	50	99	99½	99½	99½
4	3½	.	...	Can. Bakeries	10	4	3½	3½	3½
57	43½	.	...	Do. pref.	30	53½	53	53	53
170	149	8	5.2	Can. Bk. Com.	435	163	164	155	158
40	31	.60+50c	3	Can. Bronze	395	40	39	37	38
116	110	7	6.4	Do. pref.	70	114	110	110	110
5½	4	.	...	Can. Canners	230	4	4½	4	4½
94	88½	6	6.5	Do. 1st pfd.	72	92½	93	91	92
8½	6½	.	...	Do. 2nd pfd.	475	6¾	6¾	6½	6½
8	6½	.	...	Can. Car & Fd'y	2445	7½	7	6½	7
17¾	13½	.	...	Do. pref.	2530	15½	15½	13½	15
31½	26½	40c	...	Can. Celanese	695	29	29	26½	29
128	120	7	5.7	Do. pref.	35	125	126	121	121
20¾	18	.	...	Do. Rights	53	20	20	20	20
30	23½	2	6.7	Can. Convert.	....	30	(Feb. 22)		
50	48	4	8	Can. Cottons	15	50	50	50	50
105	99	6	5.7	Do. pref.	....	105	(Mar. 7)		
47	37	1+1	4.5	Can. Dredge	1984	44	45	42	44½
100	100	6	6	Can. Fairb. pf.	....	100	(Feb. 12)		
34	23½	1.60	5.3	Can. For. Inv.	190	32	32	30	31
107	105	8	7.5	Do. pref.	....	107	(Feb. 7)		
165	150	5	3	Can. Gen. Elec.	193	165	(Mar. 7)		
8½	8½	40c	...	Can. G. Inv.	....	8½	(Feb. 14)		
48	34¾	.	...	Can. Hyd. El. p	193	42	40	37	39
12½	9	.	...	Can. Ind. Alc.	14795	10½	10¾	9	9¾
11½	8	.	...	Do. (B)	2145	9	9½	8	8½
225	225	4	1.8	Can. Indust. B.	....	225	(Mar. 7)		
*166½	148	7	4.2	Do. pref.	....	166½	(Nov. 16, '35)		
4	1	.	...	Can. Int. I. Tr.	141	4	4	3¾	3¾
65	35	.	...	Do. pref.	56	64	61	60	60
23	20	1	4.3	Can. Lt. & Pr.	....	21	(Feb. 11)		
4	2½	.	...	Can. Locomo.	100	3½	3	3	3
b2¾	2	.	...	Can. Marconi	6033	2½	2½	2	2½
18	14½	50c	3.3	Canadian Oil	100	15	15	15	15
126½	123	8	6.3	Do. pref.	120	126	126½	125¾	125¾
15¾	10¾	.	...	Can. Pacific	17045	13½	13¾	12¾	13
*.15	.10	.	...	C. Pr. & Pa. In.	....	.10	(Aug. 23, '35)		
5	4½	.	...	Do. pref.	....	5	(Feb. 4)		
3¾	1½	.	...	Can. Vickers	435	3½	3	3	3
25	12	.	...	Do. pref.	40	24	25	23½	24
3¾	2¾	.	...	Can. Wineries	670	3½	3½	3½	3½
23	21	25c▲	...	Can. Wire Box	70	22	22	21½	21½
24½	18½	.	...	Catelli Mac. A.	255	18½	18¾	18½	18½
4	3	.	...	Do. (B)	....	3	(Feb. 11)		
165	165	8	4.8	Cent. C. Loan.	....	165	(Feb. 7)		
1.60	.85	.	...	Chem. Research	3555	1.15	1.15	1.00	1.04
3	1¾	.	...	City Gas & Elec	15	2½	2½	2½	2½
.60	.40	.	...	Claude Neon	760	.45	.40	.40	.40
14½	12¾	92c	7	Coast Brew.	215	13¾	13¾	13	13
5½	4	.	...	Do. Rights	600	5	4¾	4¾	4¾
9¾	7½	.	...	Cockshutt Plow	2185	8½	8¾	7½	7¾
1.35	.75	.	...	Comm. Alcohol	550	1.00	1.00	.90	.90
18¾	15¾	80+10c	...	Cons. Bakeries	2121	17½	17½	15¾	17
3¾	2	.	...	Cons. Paper	5977	3½	3½	3	3½
9	6	.	...	Cons. Press	....	6	(Mar. 6)		
35	33	.	...	Cons. Sand.	10	35	35	35	35
293½	200	2.50+4	.	Cons. Smelters	4277	250	293½	250	277
200	189	10	5.1	Consumers' Gas	47	199	199	193½	193½
90	81	7†	8.6	Corr. P. Box pf	....	81	(Mar. 5)		
22¼	17½	80c	4	Cosmos Imp.	1212	20	21½	20	20
107	104½	7	6.6	Do. pref.	10	105¾	105¾	105¾	105¾
17	15½	80c	5.1	Crown Cork	290	16	15¾	15½	15½
2¾	2	.	...	Crown Dom. Oil	....	2½	(Feb. 19)		
30	30	2	...	Crow's N. Coal.	....	30	(Feb. 14)		
				D					
4	2	.	...	David & Fre. B.	....	3½	(Mar. 9)		
1½	½	.	...	Do. (A)	....	¾	(Mar. 4)		
7	2	.	...	De Havilland	750	6½	7	5	6½
68	40	.	...	Do. (A)	100	65	68	65	65
4	4	.	...	Disher Steel	....	4	(Mar. 2)		
11½	7½	.	...	Do. pref.	65	10	11½	10	10½
34½	25	.	...	Distill-Seagram	11035	27½	27½	25	25½
222½	190	10	4.8	Dom. Bank	65	218	218	209	210
40½	32	1.20	3.3	Dom. Bridge	3940	37½	38½	34½	36½
17¾	14¾	1.50	...	Dom. Coal, p n	2795	17½	17½	15½	16
36	26½	.	...	Dom. Engineer	320	32	30½	30	30
41	32	.	...	Dom. Foundries	....	41	(Feb. 8)		
115	106	5	4.4	Dom. Glass	30	112½	112½	112½	112½
145	135	7	5	Do. pref.	25	140	140½	140	140
35¾	34	.	...	Dom. Oilcloth	....	34	(Mar. 4)		
100	100	7	7	Dom. Rubber, p.	3	90½	100	100	100
8	4½	.	...	Dom. St. & C.B.	5624	6½	6¾	5¾	6½
12	8¾	.	...	Dom. Stores	2912	10	10	9	9¾
7½	4¾	.	...	Dom. Tar & Ch.	1285	6½	6¾	5½	5¾
80	57	.	...	Do. pref.	182	77	76	75	75
79	70	5	6.8	Dom. Textile	280	73	73	71	73
146½	146	7	7.8	Do. pref.	....	146	(Mar. 7)		
9½	5	.	...	Donnacona P. A.	71	8	7¾	7	7½
7½	2½	.	...	Do. (B)	35	5¾	5¾	5¾	5¾
7	5	.	...	Dryden Paper	1560	6	6½	5½	5½
				E					
2½	1	.	...	East. Koot. Pr.	....	2½	(Mar. 5)		
14½	5	.	...	Do. pref.	....	14½	(Mar. 7)		
3½	2	.	...	East. Dairies	150	3	3	3	3
16½	12½	.	...	Do. pref.	20	14¾	15	14½	14½
13	10	.	...	East. Steel	120	11	11½	11	11
98	80	7	7.4	Do. pref.	....	95	(Mar. 5)		
*8	7	.	...	East. Theatres	....	7½	(Sept. 4, '35)		
85	85	7	8.2	Do. pref.	....	85	(Feb. 8)		
2½	1½	.	...	Easy Washing	....	2½	(Feb. 5)		
24	20½	62½c	...	Economic Inv.	....	23	(Mar. 9)		
28½	19¾	1.60+10c	...	Electrolux	1630	25½	26	24	24
3	1	.	...	Enam. & Heat.	....	2½	(Mar. 7)		
24	10½	.	...	Eng. Electric	76	20	20	19	19
12½	7	.	...	Do. (B)	500	11	11	10¾	10¾
*9	6¾	30c	...	European El. A.	....	7	(Oct. 4, '35)		
				F					
21½	19	.	...	Fam. Players	....	20	(Feb. 19)		
20	19	.	...	Do. Vot. Tr.	....	19	(Feb. 19)		
17½	13½	50c	3.4	Fanny Farmer	5460	14¾	15½	13¾	14½
28½	24¾	50c	1.8	Ford Motors A.	18225	25½	26¾	24½	25½
2.50	.85	.	...	For. Pr. Secs.	5	2.00	2.00	2.00	2.00
16	13	.	...	Foundation Co.	50	14½	14½	13	13½
19½	9	.	...	Fraser Cos.	1812	18½	18½	15¾	16½
19	8	.	...	Do. Vot. Tr.	490	18	18	16	16
60	55	6	10	Freiman, pf.	....	60	(Feb. 24)		
8	2¾	.	...	Frost Steel	30	6	6	4½	4½
100	97	1.75	...	Do. pref.	....	100	(Feb. 17)		
				G					
5¾	4¾	.	...	Gen. St. Wares	615	4¾	4¾	4¾	4½
65	55	.	...	Do. pref.	37	62	62	58	60
73	64½	2.50	3.6	Goodyear Tire	585	70	70½	69	70
59	53½	2.50	4.6	Do. pref.	132	55	57	53½	54
3	1	.	...	Gt. W. Saddlery	360	2¾	2½	2½	2½
30	13	.	...	Do. pref.	15	27	26	25½	25½
8½	6½	.	...	Gurd, Chas.	981	8	8½	7	7½
100	100	7	7	Do. pref.	....	100	(Mar. 3)		
8½	6½	.	...	Gypsum, Lime	3290	7¾	7½	6¾	7
				H					
6¾	4½	.	...	Ham. Bridge	35	5	5	4¾	4¾
37	25½	.	...	Do. pref.	25	33¾	33¾	33½	33½
29½	25½	.	...	Ham. Cot., pf.	10	29½	29	29	29
1.00	.80	.	...	Ham. U. Theat.	....	1.00	(Mar. 6)		
52	50	4	...	Do. pref.	15	51	52	50	50
4	2½	.	...	Harding Carpet	100	3½	3½	3½	3½
9	1½	.	...	Hillcrest Coll.	....	9	(Feb. 12)		
16	16	.	...	Do. pref.	....	16	(Jan. 14)		
15½	12¾	50c	...	Hinde & Dauch	540	13½	13½	12¾	12¾
7	7	.	...	Holt Renfrew	....	7	(Jan. 24)		
40	30	.	...	Do. pref.	....	40	(Jan. 31)		
.70	.40	.	...	Honey Dew	375	.60	.60	.60	.60
7½	7	.	...	Do. pref.	....	7	(Mar. 5)		
14¾	11	.	...	H. Smith Pap.	460	13	13	12	12
118	108	.	...	Do. pref.	50	118	116	115	115
35	32	2	6.2	Humberstone S.	60	33	32	32	32
6	5½	.	...	Hunts (A)	....	5½	(Mar. 6)		
11¾	6	.	...	Do. (B)	....	6	(Mar. 3)		
88	82½	5	5.9	Huron & E. Mt.	25	82½	84	84	84
12¾	12½	.	...	Do. 20% pd.	50	12¾	12½	12½	12½
10½	8½	.	...	Hydro Electric	....	8½	(Mar. 4)		
				I					
221	200	10	4.8	Imperial Bank	42	218	218	205	205
24½	20½	50+75c	5.7	Imperial Oil	25682	22¾	23¾	21	21¾
14½	13½	52½c	3.6	Imperial Tob.	4534	14½	14¾	13½	13¾
7¾	7½	6%	...	Do. pref.	50	7½	7¾	7¾	7¾
24½	19	1	...	Inter. City Bak.	130	24½	24	23	23
45	40	5+2	...	Inter'c Coal	....	40	(Feb. 5)		
*110	108	8	7.3	Do. pref.	....	110	(Dec. 5, '35)		
b5½	3½	.	...	Int. Hyd. E. A.	7600	3¾	4	3½	3¾
7½	4	.	...	Int. Metal Ind.	315	5½	5¾	5	5
42	30	.	...	Do. pref.	10	37	37	37	37
105¾	103½	5	4.8	Inter. Mill., pf.	75	104½	104½	104	104
54	44½	1	2.1	Inter. Nickel	71089	48¾	50	46	48½
6	4	.	...	Inter. Paints	....	4	(Feb. 29)		
29½	19	1.12½▲	..	Do. pref.	85	22	24½	23½	24½
b7½	4	.	...	Int. Pa. & P. A.	6000	6	6½	5¾	6
b3½	2½	.	...	Do. (B)	5500	3¾	3½	3	3¾
b3½	1¾	.	...	Do. (C)	6200	2¾	2½	2½	2½
b36¾	23½	.	...	Do. pref.	37000	30	33½	29¾	31½
39½	33¾	1.50+1	6.9	Inter. Pete.	15136	36½	37¾	35½	36¾
6	3½	.	...	Inter. Power	150	4	4¾	4	4
88½	57	1	...	Do. pref.	15	85	84½	84½	84½
14½	3¾	.	...	Int. Util. (A)	835	14½	13½	12	12¾
2.25	.40	.	...	Do. (B)	3330	1.55	1.60	1.25	1.35
				J					
35	33	1.50	4.3	Jam. Pub. Ser.	110	34	35	35	35
125¾	123½	7	5.6	Do. pref.	10	125	125½	125½	125½
				K					
9	6½	.	...	Kelvinator	145	8	8½	8	8
107	106	7	6.6	Do. pref.	....	106½	(Jan. 31)		
				L					
22	16½	.	...	Lake of Woods	1760	19¾	20½	17½	19¾
135	123	1.75▲	...	Do. pref.	41	135	133	133	133
55½	55	5	9	Landed Bank	....	55½	(Jan. 29)		
*4	3½	.	...	Langley's	....	3½	(June 13, '35)		
50	46½	7	15.1	Do. pref.	....	46½	(Feb. 6)		
68	64¾	3	4.5	Laura Secord	190	67½	67½	66	67
4	3	.	...	Lindsay, C. W.	....	4	(Mar. 6)		
41	40	.	...	Do. pref.	10	40	41	41	41
20½	18¾	1	5.1	Loblaw (A)	1426	19½	19¾	19	19½
18½	17½	1	5.6	Do. (B)	870	17½	18	17½	17¾
*7½	6¾	10c	...	Louisiana L.	....	6¾	(Sept. 11, 35)		
				M					
*3½	3½	.	...	MacKin. Steel	....	3½	(May 30, '35)		
4	4	.	...	Manitoba Pr.	25	..	4	4	4
.50	.50	.	...	M. L. Gardens	....	.50	(Feb. 21)		
4	3½	.	...	Do. pref.	5	3½	3½	3½	3½
2.25	1.50	.	...	Maple Leaf	140	1.55	1.60	1.60	1.60
5¾	4	.	...	Do. pref.	75	4¾	4½	4	4
*12¾	12	60c	4.4	Maritime Tel.	....	13¾	(Oct. 26, '35)		
*15	14½	70c	4.7	Do. pref.	....	14¾	(Oct. 26, '35)		
18	18	.	...	Marcus Loew's	....	18	(Feb. 18)		
111	111	7	6.3	Do. pref.	....	111	(Feb. 17)		
7½	5¾	.	...	Massey-Harris	10394	6¾	7½	6½	6¾
40	34½	.	...	Do. pref.	1654	38	38¾	34½	36½
17¾	12½	80c	4.9	McColl Fron.	7991	16¾	16½	14¾	15¾
105	96½	6	5.8	Do. pref.	291	102	103½	102	103
13¾	10	50c▲	..	Melchers (A)	720	10¾	10¾	10	10
5¾	4	.	...	Do. (B)	340	4½	4	4	4
13	9	.	...	Mercury M's. p	10	11½	12½	12½	12½
36	30	1	2.8	Mitchell, J. S.	....	35½	(Mar. 5)		
110	110	7	6.4	Do. pref.	....	110	(Feb. 3)		
8	5½	.	...	Mitchell, Robt.	180	6¾	6¾	6½	6½
5	3	.	...	Monarch Knit	....	5	(Mar. 3)		
90	87	7	8	Do. pref.	....	87	(Feb. 26)		
35	26	.	...	Montreal Cot.	125	35	35	35	35
100	85	7	7	Do. pref.	10	98	100	100	100
2	2	.	...	Mont. Is. Pr.	....	2	(Jan. 20)		
34	31½	1.50	4.6	Mont. L. & Pr.	8231	32½	33	31½	32½
*32	30	2	...	Montreal Loan	....	30	(Dec. 31, '35)		
9	9	.	...	Mtl. Ref. & S.P.	....	9	(Jan. 20)		
*2	1½	.	...	Do. Vot. Tr.	....	2	(Dec. 31, '35)		
60	56	3.20	6	Montreal Tele.	70	58	58	56	56
103	99½	9	9	Montreal Trams	64	100	100	100	100
39	27½	1	2.8	Moore Corp.	1055	35	36	34	35
165	146	7	4.4	Do. pref. (A)	5	165	158	158	158
230	175	7	3.2	Do. pref. (B)	....	222	(Mar. 4)		
1.00	.30	.	...	Muirheads	....	.50	(Feb. 18)		
3½	3	.	...	Do. pref.	....	3	(Feb. 19)		
				N					
44	37	2	4.8	Nat. Breweries	6135	43	43¾	40½	42
43	39¾	1.75	4.4	Do. pref.	35	41	41	39¾	39¾
7¾	6	.	...	Nat. Grocers	820	6¾	6½	6	6½
135	130	7	5.4	Do. pref.	....	130	(Mar. 3)		
20	16¾	.	...	N. Sew. Pipe A.	300	19	20	18¾	18¾
17½	15½	.	...	Nat. Steel Car.	1302	16½	17	15½	15¾
201	198	8	4	National Tr.	1	200	200	200	200
53	34	75c	...	Niag. W. Weav.	301	50	53	50	53
60	56	3	5.2	Do. pref.	35	58	58	58	58
1.75	.90	.	...	North Star Oil	....	1.50	(Mar. 6)		
4.00	3.15	8¾c	...	Do. pref.	200	3.80	3.75	3.50	3.50
61	61	3	4.9	N. S. L & Pr.	....	61	(Feb. 11)		
				O					
240	199¾	8	3.3	Ogilvie Flour	105	220	240	225	240
153	152	7	4.6	Do. pref.	....	152	(Feb. 25)		
10	7½	.	...	Ont. Eq. 10% pd	70	8½	8½	8	8
112½	109	6	5.3	Ontario Loan	....	112½	(Mar. 3)		
14½	13	.	...	Ont. Silknit	....	14	(Feb. 26)		
90	80	7+75c▲	8.4	Do. pref.	40	80	84	83	83
8	8	.	...	Ont. Steel	....	8	(Mar. 6)		
85	75	.	...	Do. pref.	....	85	(Mar. 9)		
.40	.25	.	...	Orange Crush	....	.25	(Feb. 24)		
8	6	.	...	Do. 1st pref.	....	8	(Feb. 28)		
*.55	.20	.	...	Do. 2nd pref.	....	.45	(Oct. 30, '35)		
95	88	6	6.3	Ott. L. H. & Pr.	40	94	95	95	95
110	101½	6.50	6.3	Do. pref.	25	102½	103	103	103
21	18¾	2	10.7	Ott. Traction	....	18¾	(Feb. 28)		
				P					
95	78½	3	3.4	Page Hersey	230	92	92	88	89
6½	3½	.	...	Pantepec Oil	3730	5	5¾	4¾	5
25	18	.	...	Paton Mfg.	....	23	(Jan. 25)		
*98	94	7	7.2	Do. pref.	....	98	(Dec. 3, '35)		
57	48	3	6.2	Penmans	202	52	52	48	48
122	118	6	4.9	Do. pref.	....	122	(Feb. 20)		
27	23½	1	4.2	Photo Eng.	65	25½	25	23½	23½
97	85	7	7.3	Porto Rico Pr. p	20	96½	96½	96½	96½
18¾	11¾	.	...	Power Corp.	5469	15½	16½	13¾	15¾
101	97½	6	6.1	Do. pref.	50	99½	98½	97½	97¾
2½	1½	.	...	Prairie C. Oil	658	2	2½	2	2
24	19	50+12½c	.	Pressed Metals	131	22	21½	20	20
6¾	3½	.	...	Price Bros.	5655	5	5½	4	5
40	22½	.	...	Do. pref.	1197	38¾	40	37	38½
				Q					
18	14	1	5.7	Quebec Power	1539	17¾	18	16½	17½
				R					
*58	40	2	5	Real Estate L'n.	....	40	(July 3, '35)		
6½	5	.	...	Regent Knit.	375	5½	5½	5	5
15	12½	.	...	Do. pref.	1180	12½	15	13	14
10	6½	.	...	Reliance Grain	105	7¾	7½	7½	7½
30¾	29	2+25c▲	6.8	River S. Mills	50	30	30	29½	29½
6½	4¾	.	...	Rogers Majest.	385	4¾	4¾	4¾	4¾
104	95½	6	5.8	Rolland P., pf.	40	101	104	104	104
182	164	8	4.5	Royal Bank	356	180	180	175	178
30½	30	.	...	Russell Motor	....	30½	(Feb. 13)		
109	100	7+1▲	6.5	Do. pref.	105	108	108	108	108
				S					
9¾	7	.	...	Sarnia Br. (A)	75	9½	9½	9½	9½
3	1¾	.	...	Do. (B)	25	2½	2½	2½	2½
23¾	19½	60c	2.8	Shawinigan	5827	20¾	21¾	20	21
20	17½	.	...	Sher. Wms.	1111	18¾	19	18½	18½
127½	117	7+1.75▲	5.5	Do. pref.	....	127	(Feb. 20)		
12	10	.	...	Simon & Son	35	11	11½	11½	11½
93	93	7▲	...	Do. pref.	....	93	(Jan. 6)		
80	76	4	5.3	Simpson, Ltd.	40	76	76	76	76
12	12	.	...	Do. (A)	....	12	(Feb. 3)		
9	8	.	...	Do. (B)	....	9	(Feb. 13)		
116	111½	6	5.2	Simpson, R., p.	90	114	116	115	116
13¾	12	80c	6	So. Can. Pr.	2445	13½	13½	13½	13½
100	98	6	6	Do. pref.	165	99½	100	99½	99½
2¾	1½	.	...	St. Law. Corp.	2215	2¾	2½	2½	2½
10½	8	.	...	Do. (A)	1827	9¾	10	9	9½
44	40	2	4.6	St. Law. Flour.	5	43	42	42	42
123	120	7	5.7	Do. pref.	....	123	(Mar. 4)		
28	20½	.	...	St. Law. Pa. p	3080	27	27½	25½	26
9½	6¾	.	...	Stand. Chem.	45	8¾	9	8½	8½
3.75	1.15	.	...	St. Pav. & Mat.	1233	2.62	2.87	2.00	2.87
22	12	.	...	Do. pref.	10	18	18	18	18
27	20	.	...	Stand. Steel, pf.	....	27	(Feb. 12)		
64½	57	1.75+1.42½		Steel of Can.	2580	63½	63½	59	61
57½	49½	1.75	3.2	Do. pref.	473	57½	57½	54½	56
3½	3	.	...	Sterling Coal	....	3½	(Feb. 6)		
2½	1	.	...	Stop & Shop	....	2	(Feb. 26)		
2½	2	.	...	Supersilk H.	....	2	(Feb. 4)		
72	69	3.50	4.9	Do. pref.	....	72	(Mar. 3)		
38	30	1	2.8	Sup. Pete. ord.	70	33	35	33	34½
32½	32	1	3.1	Do. com.	....	32½	(Jan. 16)		
110	109½	7	6.4	Do. pref.	....	110	(Mar. 4)		
				T					
40	32¾	.	...	Tamblyn	50	40	39	39	39
112½	111	7	6.2	Do. pref.	14	112	112½	112	112½
5	1½	.	...	Thayers	....	4¾	(Feb. 24)		
37	31	3.50	11.3	Do. pref.	....	31	(Mar. 4)		
3	1½	.	...	Thrift Stores	25	3	3	3	3
10	7½	.	...	Do. pref.	....	9	(Mar. 7)		
11	8½	.	...	Tip Top Tailors	195	9½	9	8½	8½
106	102	7	6.6	Do. pref.	30	105	106	105	105
15½	10½	.	...	Tooke Bros., pf.	....	15½	(Feb. 11)		
40	34	1	2.7	Tor. Elevators	105	39	37	35½	35½
119	113½	7	6.1	Do. pref.	20	117	116	115	116
95	90	4	4.3	Tor. Gen. Tr.	....	92	(Mar. 4)		
120	115	6	5.2	Toronto Mtge.	7	115	117	115	115
155	150	7	4.5	Tuckett Tob., p.	20	150	155	155	155
12½	8	.	...	Twin City	205	10½	10	9¾	10
				U					
12½	9	.	...	Union Gas	6166	11	11½	10	10¾
15	15	.	...	Un. Amuse. A.	....	15	(Jan. 2)		
.90	.75	.	...	United Distill.	100	.75	.75	.75	.75
29	22	.	...	United Fuel, pf.	105	26	24	23½	23½
25	25	2	8	United Secs.	....	25	(Mar. 9)		
4¾	3	.	...	United Steel	490	3½	3½	3	3½
				V					
3½	2	.	...	Viau Biscuit	140	2½	2¾	2½	2½
38	18	.	...	Do. pref.	....	38	(Mar. 7)		
				W					
31½	25	.	...	Wabasso Cot.	195	28	25	25	25
34¾	28	2	6.8	Walker-Good.	6450	30½	31½	28	29½
19	17½	1	5.5	Do. pref.	1263	18½	18¾	18	18½
3¾	2	.	...	Walkerville Br.	3310	3½	3¾	2	3
2½	1½	.	...	Waterloo Mfg.	200	2	2	1¾	1¾
10	6¾	.	...	West. C. Flour	....	7½	(Mar. 7)		
65	54	.	...	Do. pref.	205	58	55	54	54
50	46½	2	4.2	West. Grocers	....	48	(Feb. 19)		
109¾	107	7	6.4	Do. pref.	25	107	109¾	109	109¾
17¾	14	60c	4.2	Weston Ltd.	1030	15½	15½	14	14½
111	109¾	7	6.3	Do. pref.	196	111	111	111	111
9¾	8½	.	...	Whittall Can.	....	9¾	(Mar. 6)		
121½	121½	6.50	5.4	Do. pref.	....	121½	(Jan. 15)		
*3	1	.	...	Windsor Hotel	....	1	(Oct. 26, '35)		
*8	1	.	...	Do. pref.	....	1	(Oct. 23, '35)		
4½	2¾	.	...	Winnipeg Elec.	1475	4	4½	4	4
18	10	.	...	Do. pref.	56	18	16½	16	16
53	38	.	...	Wood, A. & J. p	....	52	(Mar. 9)		
67½	52	.	...	Woods Mfg., pf.	....	58½	(Feb. 27)		
				Z					
3	2¾	.	...	Zimmerknit, c.	20	3	3	3	3
64	50	3.50▲	...	Do. pref.	17	64	64	64	64

---

* Quotations for 1935. No sales recorded in 1936 to date.
† Plus $33.25 on arrears. Comprising one funding right for each preferred share.
▲ On account of arrears.
b New York quotations.

Government Bonds

(Furnished by Toronto Bond Traders' Assoc.)

March 18, 1936

Dominion of Canada Bonds

			Bid Mar. 18	Asked Mar. 18	Approx. Yield	Bid Mar. 11
Dominion	2	15 Oct. 1936	100.35	100.70	.83	100.35
Dominion	5	15 Nov. 1936	102.15	102.55	1.15	102.20
†‡Dominion	5	1 Mar. 1937	104.00	104.40	.40	104.10
‡Dominion	5½	1 Dec. 1937	107.80	108.20	.67	107.90
Dominion	2½	15 Oct. 1939	102.50	103.00	1.63	102.00
Dominion	4	15 Oct. 1939	107.25	107.75	1.77	107.25
Dominion	2	15 Nov. 1939	101.15	101.65	1.53	101.00
Dominion	4½	1 Sept. 1940	110.35	110.80	1.96	110.15
Dominion	5	15 Nov. 1941	112.85	113.35	2.46	112.80
Dominion	3	15 Oct. 1942	104.75	105.25	2.14	104.75
Dominion	2½	1 June 1943	102.15	102.65	2.11	102.25
Dominion	5	15 Oct. 1943	113.75	114.25	2.89	113.75
Dominion	4½	15 Oct. 1944	111.75	112.25	2.87	111.85
▪Dominion	2½	15 Aug. '43-45	98.00	98.50	2.68	98.25
Dominion	4	15 Oct. '43-45	108.15	108.65	2.72▲	108.35
Dominion	4½	1 Feb. 1946	111.75	112.25	3.06	111.85
Dominion	3½	15 Oct. '44-49	103.35	103.80	3.00▲	103.35
Dominion	4	15 Oct. '47-52	107.15	107.65	3.23▲	107.35
Dominion	3	1 June '50-55	97.85	98.30	3.12	97.85
Dominion	4½	1 Nov. '46-56	109.35	110.00	3.40▲	109.50
Dominion	4½	1 Nov. '47-57	109.35	110.00	3.47▲	109.50
Dominion	4½	1 Nov. '48-58	109.65	110.15	3.52▲	109.75
Dominion	4½	1 Nov. '49-59	109.75	110.25	3.56▲	109.85
▪Dominion	3¼	15 Jan. '56-61	100.00	100.50	3.22▲	100.25

Dominion Guaranteed Bonds

			Bid	Asked	Yield	Bid Mar. 11
*G. T. P. Ry.	3	1 Jan. 1962	99.25	100.25	2.97	99.50
Can. N. Ry.	3	1 May 1944	102.50	103.50	2.53	102.50
Can. N. Ry.	3	15 Dec. '45-50	97.50	98.50	3.12	97.50
Can. N. Ry.	3	15 Feb. '48-53	96.75	97.50	3.19	96.65
*Can. N. Ry.	4½	1 Sept. 1951	112.50	113.25	3.40	112.75
*Can. N. Ry.	4½	1 Feb. 1956	112.75	113.50	3.55	112.75
†Can. N. Ry.	4½	1 July 1957	110.75	111.50	3.72	111.00
*Can. N. Ry.	4¾	15 June 1955	115.00	116.00	3.60	115.75
Can. N. Ry.	5	1 Feb. 1954	115.00	116.00	3.77	115.50
*Can. N. Ry.	5	1 July 1969	115.75	116.75	3.22▲	116.00
*Can. N. Ry.	5	1 Oct. 1969	117.50	118.50	3.58▲	117.75
*M. Harb. C.	5	1 Nov. 1969	117.75	118.75	3.57▲	118.00

Provincial Government Bonds

			Bid	Asked	Yield	Bid Mar. 11
Eastern—						
N. Bruns.	4	1 Sept. 1954	103.50	104.50	3.66	103.50
†N. Bruns.	4½	15 Apr. 1961	108.50	109.50	3.91	108.50
†N. Bruns.	5	15 Jan. 1960	113.50	114.50	4.05	113.50
N. Scotia	3	2 Sept. 1945	98.50	99.50	3.06	98.75
N. Scotia	4½	15 May 1943	107.50	108.50	3.16	108.00
†N. Scotia	4½	15 Sept. '47-52	108.50	109.75	3.46▲	109.00
†N. Scotia	5	1 Mar. 1960	115.25	116.25	3.94	115.00
*Ontario	4	1 June 1962	105.00	106.00	3.64	105.25
*Ontario	4½	1 Sept. 1944	109.50	110.50	3.09	109.50
Ontario	4½	1 June 1950	108.25	109.25	3.67	109.00
*Ontario	4½	15 Jan. 1962	109.00	110.50	3.86	110.00
Ontario	5	15 Oct. 1948	112.00	113.00	3.72	112.00
*Ontario	5	2 Dec. 1960	116.00	117.50	3.90	116.50
Ontario	5½	1 July 1946	113.50	114.50	3.92	114.50
O. H. C.	3½-4-5	1 Oct. '33-52	100.75	101.75	4.27•	100.75
Ont. Hyd. C.	4¾	1 Jan. 1970	110.00	112.00	4.09	110.00
P. E. I.	3	1 Oct. 1945	99.00	100.00	3.00	99.00
Quebec	4	15 Mar. 1952	107.25	108.25	3.37	107.50
Quebec	4½	1 Aug. 1958	110.00	111.00	3.53	110.25
Quebec	4½	2 Jan. 1963	113.00	114.00	3.67	113.00
Western—						
Alberta	4	15 Dec. '49-54	84.00	85.50	5.21	84.00
†Alberta	4	1 Dec. 1957	84.00	85.50	5.10	84.50
Alberta	4½	1 Oct. 1951	86.00	88.00	5.65	88.00
†Alberta	4½	1 Oct. 1956	85.50	87.00	5.56	87.50
†Alberta	5	1 Jan. 1948	87.00	89.00	6.32	89.00
Alberta	5	1 Sept. 1955	86.00	88.00	6.06	89.00
*Alberta	5	1 Oct. 1959	88.00	90.00	5.77	90.00
†Alberta	5½	1 Jan. 1947	89.00	93.00	6.40	93.00
Alberta	6	1 Mar. 1947	89.00	92.00	7.06	93.00
†Brit. Col.	4	1 Dec. 1957	94.50	96.50	4.24	96.50
*Brit. Col.	4½	15 Jan. 1951	98.50	99.50	4.55	99.50
†Brit. Col.	4½	1 Oct. 1953	97.50	98.50	4.62	98.50
†Brit. Col.	5	15 Jan. 1948	98.50	100.50	4.94	100.00
Brit. Col.	5	1 Sept. 1953	98.50	100.00	5.00	100.00
Brit. Col.	5½	1 Feb. 1945	100.00	101.50	5.29	101.25
Brit. Col.	6	15 Feb. 1947	102.00	103.00	5.63	102.50
Manitoba	4	2 Jan. 1950	99.00	100.00	4.00	99.25
†Manitoba	4	1 Dec. 1957	99.00	100.50	3.97	99.50
†Manitoba	4½	15 Dec. 1956	103.00	104.50	4.17	103.50
†Manitoba	5	15 June 1954	107.00	109.00	4.29	107.50
*Manitoba	5	2 Dec. 1959	109.00	110.50	4.30	110.00
Manitoba	5½	1 Oct. 1955	108.00	109.50	4.78	108.50
Manitoba	6	1 Apr. 1947	109.00	110.50	4.80	109.00
Sask.	4	15 Aug. 1963	88.50	90.50	4.81	90.50
Sask.	4	1 Nov. '55-60	88.00	89.50	4.72	90.00
*Sask.	4½	2 July 1945	99.00	100.25	4.44	100.00
†Sask.	4½	1 Oct. 1951	96.50	97.50	4.72	97.75
†Sask.	4½	15 Mar. 1960	96.00	97.00	4.71	96.50
Sask.	5	1 Aug. 1958	99.00	100.50	4.96	100.50
†Sask.	5½	15 Nov. 1946	103.00	104.00	5.02	103.50
Sask.	5½	1 Oct. 1952	103.00	104.00	5.13	103.50
Sask.	6	15 Mar. 1952	106.00	107.00	5.34	106.50

Municipal Bonds

			Bid	Asked	Yield	Bid Mar. 11
†Calgary	5½	2 June 1944	....	87.00	7.67	84.00
†Edmonton	5½	1 Nov. 1945	88.00	92.00	6.66	89.00
†Halifax	5	1 July 1961	112.00	114.00	4.11	112.00
Hamilton	5	1 May 1960	107.00	110.00	4.05	107.00
Montreal	5	1 Mar. 1945	106.00	108.00	3.93	106.00
Ottawa	4½	1 July 1945	108.50	111.00	3.15	108.50
†Quebec	5	1 June 1959	109.50	111.50	4.22	109.50
Regina	5	1 July 1944	85.00	89.00	6.76	89.00
St. John	5	15 Dec. 1950	107.50	109.50	4.14	107.50
†Toronto	4½	1 Jan. 1955	109.00	111.50	3.65	109.00
Vancouver	5	1 June 1969	89.00	93.00	5.46	89.00
Victoria	5	21 July 1945	96.00	99.00	5.13	96.00
Winnipeg	5	1 Mar. 1944	105.00	107.00	3.97	105.00

*Payable Can., N.Y. & £. ▲Calculated to call date giving lowest possible yield. †Payable Can. & N.Y. •Calculated to maturity although callable prior to that date. ‡Exempt from Dominion income tax. ▪Payable in N.Y.

The Financial Post's Quotations

Although The Financial Post strives to obtain the closest quotations possible on the unlisted stocks and bonds in the various tables on this page, the quotations are not guaranteed and no responsibility is assumed in connection with them. In inactive markets, many quotations can be little more than nominal but it is felt that even a nominal quotation giving an idea of an approximate price is better than none at all.

Mining Stock Quotations

WEEK ENDING MARCH 16, 1936

Par Val.	Range 1936 High	Low	Company	Sales	Close Mar 9 (or last)	High for week	Low for week	Close Mar.16
1	.70	.54	Afton	4,400	.60	.63	.58	.59
No	.16	.07	Aldermac	179,000	.10½	.12½	.10	.11
1	.03½	.01½	Alexandria	48,100	.02½	.02½	.02	.02½
No	.10½	.03½	Algoma	214,650	.09½	.10½	.07½	.09
No	4.95	4.10	Anglo-Huronian	1,416	4.70	4.85	4.35	4.45
No	.08	.02	Arno	30,300	.05	.05	.04	.04½
1	.97	.70	Arntfield	6,500	.80	.80	.73½	.73½
1	.25	.12	Ashley	7,200	.15½	.15½	.12	.14
1	.06½	.02½	Astoria Rouyn	33,000	.05½	.05½	.04½	.04½
1	.11½	.05½	Bagamac	56,050	.07½	.08	.06½	.07½
1	.07	.03½	Barry Hollinger	53,000	.04½	.04½	.03½	.04
1	.40	.21	Base Metals	20,050	.25	.26	.22	.23
1	.50	.28	B.E.A.R.	13,000	.40	.40	.28	.30
No	1.84	1.30	Beattie Gold	12,750	1.40	1.51	1.30	1.40
1	.45	.30	Beaufor Gold	17,600	.39	.40	.30	.30
1	.76	.60	Big Missouri	23,735	.64	.69½	.60	.66
1	.24	.15½	Bobjo	48,700	.18	.17½	.15½	.16
No	7.15	5.55	Bralorne	7,464	6.60	7.10	6.60	6.90
1	.40	.25	Brazil Gold	3,000	.28	.29	.25	.25
1	.04½	.02	Brett Trethewey	5,000	.03½	.03½	.02½	.03
50c.	.14	.09	B.R.X. Gold	24,200	.10½	.14	.11½	.13½
1	6.50	3.80	Buffalo Ankerite	8,964	4.75	5.05	4.40	4.85
No	.07	.02	Buffalo Can.	258,500	.04½	.07	.04½	.07
5	37.00	31.50	Bulolo Gold	995	33.00	33.50	31.50	33.50
No	.18	.06	Bunker Hill	26,760	.11	.12	.10	.10
No	1.45	.95½	Can. Marlartic	57,535	1.06	1.13	.95½	1.07
1	.20	.20	Capital Rouyn	......	.20	(Mar. 3)		
1	1.60	1.15	Cariboo Gold	9,150	1.46	1.47	1.35	1.35
1	.05	.02	Cartier Malartic	4,100	.04	.04	.03½	.03½
1	1.69	1.24	Castle Trethewey	52,750	1.44	1.50	1.30	1.38
1	.25	.11½	Cen. Manitoba	74,350	.19½	.21	.17	.18½
1	3.44	2.41	Cen. Patricia	105,505	2.80	2.96	2.41	2.81
No	.63½	.19½	Chibougamau Pros	145,175	.43½	.46½	.37	.43
No	.08½	.03½	Church M. & Mill	23,100	.07½	.07½	.05½	.06½
No	.05	.03	Clericy	69,150	.04½	.05	.03½	.04
5	4.50	3.20	Coast Copper	635	3.55	3.50	3.20	3.20
1	.03½	.01½	Cobalt Contact	17,900	.03½	.03½	.02½	.02½
5	3.45	2.80	Coniagas	1,240	3.25	3.25	3.00	3.10
No	2.64	1.80	Coniaurum	23,200	2.02	2.20	1.85	2.19
25	293.50	200.00	Cons. Smelters	4,277	250.00	293.50	250.00	277.00
No	52.00	41.75	Dome Mines	3,615	47.00	46.00	43.50	45.00
1	.07	.04½	Dom. Explorers	3,250	.06	.06	.05	.05
1	.10½	.07	Duparquet	31,450	.08½	.08½	.07	.07½
1	1.38	1.05	Eldorado	24,655	1.20	1.23	1.05	1.13
No	9.50	6.90	Falconbridge	25,164	9.05	9.20	8.20	8.65
1	.10	.03	Federal	53,000	.06	.06½	.04½	.05½
No	.44	.22	Francoeur Gold	31,600	.27½	.28	.22	.27
1	.11	.05	Franklin Gold	455,000	.06	.06½	.05	.05
No	1.45	1.00	God's Lake	112,057	1.13	1.18	1.00	1.10
1	.28	.14½	Goldale	47,850	.23½	.23	.18	.21
50c.	.40	.30	Gold Belt	50	.34½	.35	.35	.35
1	.26½	.06	Goodfish	204,620	.20	.23	.14	.15
1	.07½	.03	Graham Bosquet	6,700	.05	.05	.04	.04½
1	.31	.19	Granada Gold	13,522	.21	.21	.19	.20
No	.09	.05½	Grandora	5,500	.07	.07	.07	.07
1	.36	.23	Greene Stabell	42,655	.30	.30	.25	.26
1	.05½	.05½	Groselle	1,500	.05	.05½	.05½	.05½
1	.09	.08	Grull Wihksne	1,000	.08	.08	.08	.08
1	.94	.75	Gunnar Gold	13,600	.85	.85½	.75	.81
1	.05	.02	Halcrow Swayze	12,000	.03½	.04½	.03½	.04
1	.77	.30	Hard Rock	37,295	.60	.67	.51	.63
1	.10½	.07	Harker	37,800	.08½	.09½	.07	.07½
5	17.25	13.50	Hollinger	19,641	14.50	14.87	13.50	14.00
1	.75	.56	Howey Gold	27,390	.65	.65	.56	.61
No	28.25	22.87	Hudson Bay	7,302	26.50	26.75	24.25	25.12
1	14.25	11.50	Inter. Mining	......	14.25	(Feb. 19)		
1	4.10	4.10	Do., Pur. Warr.	......	4.10	(Jan. 13)		
No	54.00	44.12	Int. Nickel	71,089	48.75	50.00	46.00	48.50
1	.58	.28½	J. M. Cons. Gold	76,695	.51	.45	.35	.40
1	.55	.40	Kerr Lake	......	.55	(Mar. 5)		
1	.62	.30	Kirk. Hud. Bay	1,700	.47	.43	.38	.38
1	.58	.45	Kirkland Lake	35,903	.49	.49	.45	.48
1	.07½	.03½	Kirk. Premier	......	.07½	(Feb. 28)		
1	.22	.14½	Kirk. Townsite	2,000	.17	.17	.17	.17
No	.09½	.03	Lake Maron	83,800	.05½	.06	.04½	.05
1	59.12	51.75	Lake Shore	3,713	55.00	55.50	52.50	53.00
1	.19	.05	Lamaque Contact	53,000	.11	.10	.07	.09
1	.29½	.12	Lebel Oro	183,477	.23	.24½	.16	.22
1	.06½	.02½	Lee Gold	28,400	.03½	.03½	.02½	.03½
No	7.75	6.05	Little Long Lac	27,415	6.55	6.70	6.05	6.75
1	4.74	3.12	Macassa	118,120	4.10	4.23	3.50	3.88
1	.07	.01½	Malrobic	43,400	.04½	.04½	.03½	.03½
No	.20	.12	Mandy	4,900	.17	.17	.16	.17
No	.19½	.05½	Man. & Eastern	173,400	.14½	.15½	.10½	.13½
1	.15	.05½	Maple Leaf	42,000	.10	.11	.08½	.09½
1	.15	.05½	Maple Leaf	42,000	.10	.11	.08½	.09½
5	49.25	40.00	McIntyre	5,725	41.25	42.50	40.00	41.00
1	1.62	1.22	McKenzie R.L.	57,930	1.39	1.42	1.22	1.35
1	.56	.45	McKinley	137	.55	.50	.50	.50
1	.14	.02½	McMillan	51,850	.09	.09½	.06½	.08½
No	1.65	1.20	McWatters	37,350	1.36	1.41	1.20	1.39
1	.42	.21	McVittie	39,875	.31	.32	.24	.29
No	1.50	1.23	Mining Corp.	624	1.33	1.35	1.23	1.35
No	.43	.07½	Minto Mines	147,000	.12½	.43	.14	.38
1	.12½	.06	Moffatt Hall	6,500	.07½	.08	.07½	.07½
1	.13	.06½	Moneta	7,100	.09	.11	.09	.10
1	.80	.58	Morris Kirk.	24,750	.69	.69	.65	.66½
1	.04½	.00½	Murphy	104,500	.03½	.03½	.02½	.02½
No	.04	.02	Newbec	14,000	.03	.03	.02	.02½
1	.04½	.01½	Night Hawk Penn.	55,000	.03	.02½	.02	.02½
5	3.05	2.45	Nipissing	3,165	2.70	2.70	2.55	2.55
No	50.25	44.50	Noranda	19,322	48.75	49.00	46.75	47.50
No	.42	.28½	Nor. Canada	10,000	.38	.37	.37	.37
1	.70	.34	O'Brien	3,500	.40	.40	.36	.36
	.79	.40	Omega	53,158	.60	.60	.40	.55½
1	.14	.07	Osisko	2,100	.11½	.10	.09½	.09½
No	4.85	3.50	Pamour	11,634	3.90	4.00	3.50	3.95
1	.31½	.18½	Parkhill	57,200	.26	.28	.23	.25
1	.05½	.02½	Pawnee Kirk	42,500	.04½	.04½	.02½	.03½
1	.84½	.50½	Paymaster	146,687	.65	.70	.60	.65½
1	1.20	.95	Pend Oreille	7,060	1.12	1.10	.95	1.05
1	1.75	1.12	Perron Gold	43,705	1.36	1.38	1.15	1.26
1	.04½	.02½	Peterson Cobalt	16,103	.04	.04	.03	.03½
1	5.00	3.95	Pickle Crow	106,166	4.60	4.75	3.95	4.75
1	12.00	9.60	Pioneer Gold, B.C.	2,510	9.90	9.95	9.65	9.75
1	.15	.04	Porcupine Crown	200,400	.12	.14	.11	.12½
1	2.48	1.80	Premier Gold	18,150	2.25	2.30	2.13	2.20
1	.28	.23	Prest. E. Dome new	35,700	......	.28	.23	.24
No	3.25	2.50	Prospectors Air's	3,300	2.70	2.85	2.50	2.65
1	1.34	.95	Quebec Gold	9,400	.99	1.00	.95	.90
No	.07½	.04	Quemont	700	.06	.06½	.05	.05
1	2.04	1.43	Read Authier	53,137	1.70	1.95	1.65	1.88
No	.94	.50	Red Lake	144,677	.84	.93	.84	.93
1	1.20	1.00	Reno Gold	16,350	1.09	1.15	1.00	1.08
1	.05½	.01	Ritchie	50,200	.03½	.03½	.02½	.03½
1	.09	.05½	Robb Montbray	124,000	.06½	.06½	.05½	.06
1	.09½	.05½	Roche Long Lac	20,000	.05½	.07	.05½	.06½
1	3.45	2.61	San Antonio	25,270	2.75	3.05	2.61	2.76
50c.	.72	.56	Sheep Creek	5,400	.70	.72	.65	.69
1	1.33	1.00	Sherritt Gordon	58,680	1.19	1.24	1.00	1.15
1	3.40	2.88	Siscoe	106,176	3.15	3.15	2.88	3.05
1	6.25	4.40	South Amer. Gold	......	6.25	(Feb. 28)		
No	.08½	.04	South Tiblemont	48,700	.05	.05½	.04½	.04½
No	.39	.18½	Stadacona	210,840	.28	.33	.27	.30
1	.38½	.18	St. Anthony	36,536	.27	.27	.20	.24½
No	4.95	3.00	Sudbury Basin	16,335	4.30	4.50	3.65	4.20
1	.18½	.06	Sudbury Contact	64,300	.14½	.15	.12½	.14
1	.07½	.03½	Sudbury Mines	127,000	.05½	.06½	.04½	.06
1	1.15	.83	Sullivan Cons.	105,103	.95	.98	.83	.88
1	2.90	2.25	Sylvanite	21,460	2.52	2.55	2.25	2.45
1	.50	.28	Tashota	14,250	.45	.48	.43	.45
1	5.40	4.30	Teck Hughes	37,899	4.69	4.82	4.30	4.45
1	.04½	.02	Timiskaming	16,550	.03	.03	.02½	.02½
1	1.50	1.20	Toburn Gold	7,319	1.35	1.40	1.28	1.40
1	.37	.20	Towagmac	200	.30	.26	.23	.23
1	.40	.30	Treadwell	......	.40	(Feb. 14)		
No	2.52	1.60	Ventures	117,535	2.10	2.29	1.90	2.12
No	1.32	1.00	Waite Amulet	9,533	1.20	1.25	1.10	1.17
50c.	.21	.15	Wayside	14,035	.15½	.19½	.15	.18½
No	.04½	.03	White Eagle	47,200	.04½	.04½	.03½	.03½
1	.09½	.03	Whitsey Coughlan	9,500	.06½	.06½	.05½	.06
1	.08	.04	Wood Kirkland	13,000	.07½	.07½	.06½	.06½
No	9.00	7.55	Wright-Hargreaves	14,275	8.20	8.25	7.55	7.80
No	.71	.38	Ymir Girl	5,100	.46	.50	.38	.50

OIL STOCKS

Par Val.	Range 1936 High	Low	Company	Sales	Close Mar 9 (or last)	High for week	Low for week	Close Mar.16
No	.18¾	.14½	Acme Gas & Oil	14,000	.15	.15½	.15½	.15½
1	.70	.50	Ajax	2,600	.55	.56	.52	.52
No	1.39	.65	Calgary & Ed.	11,160	1.20	1.20	1.08	1.12
1	.14	.05	Calmont	1,700	.10	.11	.10	.10
No	.10½	.04½	Common Pete	......	.08½	(Mar. 5)		
No	.78	.40	Dalhousie	10,815	.50	.58	.50	.55
No	.13½	.06	East Crest	2,000	.09½	.09	.08½	.09
No	.70½	.35	Foothills	......	.65	(Mar. 5)		
No	.16½	.13	High Sarcee	......	.16	(Mar. 9)		
No	1.46	.70	Home	25,500	1.10	1.09	.95	1.04
1	.42½	.11	Homestead O. & G.	110,700	.33	.36	.27	.32
No	.14½	.08	Lowery	......	.08	(Mar. 6)		
No	.24	.13	Merland	10,000	.18	.16	.14	.14
5	.22	.14	Nordon	20,940	.15	.17	.14	.15
No	.07	.04½	Oil Selections	71,900	.05½	.06	.05½	.06
No	.07½	.04	Olga Gas & Oil	51,700	.04½	.04½	.04	.04½
1	.75	.55	Petrol Oil & Gas	......	.61	(Mar. 5)		
No	39.50	29.00	Royalite	6,247	35.00	35.25	32.00	34.25
No	.10	.04	South West Pete.	......	.04	(Mar. 6)		
No	4.60	1.63	Texas Can.	89,210	3.85	4.20	3.90	4.05

VANCOUVER STOCK EXCHANGE
(Transaction for Week to March 13)

Par Val.	Range 1936 High	Low	Company	Sales	Close Mar 7 (or last)	High for week	Low for week	Close Mar.13
1	.02½	.01½	Alexandria	......	.02	(Feb. 4)		
20c	.05	.02½	Beaver Silver	4,000	.04½	.04½	.03	.03
25c	.01	.01	Bluebird	7,000	.01	.01	.01	.01
No	7.10	5.60	Bralorne	14,607	6.95	7.10	6.50	6.70
1	.05½	.02	Bridge River Cons	40,100	.04	.05½	.04	.05
50c	.14	.08½	B.R.X. Gold	35,600	.12	.14	.10½	.12½
1	.38	.17½	B.C. Nickel	57,850	.34	.35	.28	.29
1	1.60	1.50	B.C. Silver	......	1.50	(Feb. 6)		
50c	.08	.04	Canadian Rand	5,000	.05½	.06½	.06	.06
1	1.52	1.15	Cariboo Gold	4,850	1.50	1.50	1.35	1.35
1	.23½	.12½	Congress Gold	180,700	.17	.23½	.15	.20½
25c	.00½	.00½	Cork Province	......	.00½	(Feb. 20)		
1	.04	.02½	Cotton Belt	......	.03	(Mar. 7)		
No	.36	.19½	Dentonia	30,500	.22	.22	.19½	.20
No	.06	.02	Dictator	71,700	.05½	.06	.04½	.04½
1	.04½	.03½	Dunwell	1,000	.04½	.04½	.04½	.04½
No	.08	.03	Fairview Amal	13,000	.06½	.06½	.05	.05
50c	.47	.35	Fawn Mining	......	.45	(Mar. 6)		
1	.10½	.03½	Federal Gold	511,000	.03½	.10	.04½	.09
1	.25	.20	George Copper	......	.20	(Mar. 3)		
50c	.05½	.04	George Enterprise	1,000	.05	.04	.04	.04
1	.01½	.01½	Georgia River	13,500	.01½	.01½	.01½	.01½
1	.24	.11	Golconda	7,000	.22½	.21	.18	.18½
50c	.39½	.29	Gold Belt	4,400	.35	.34	.29	.29
50c	.09	.05	Gold Mountain	17,000	.07½	.07½	.07	.07½
50c	.03½	.02	Grandview	6,000	.02½	.02½	.02½	.02½
No	.04½	.02	Grange Mines	22,500	.03½	.03	.02½	.02½
1	.10½	.07	Grull Wihksne	10,600	.08½	.09	.08½	.08½
25c	13.50	13.00	Hecla	......	13.00	(Jan. 14)		
No	.04½	.03	Haida Gold	1,000	.04	.03	.03	.03
50c	.27	.22	Hedley Amal.	32,000	.23	.25	.22	.24½
No	.05	.05	Hedley Sterling	......	.05	(Feb. 15)		
No	.05	.02	Home Gold	9,200	.03	.03½	.03	.03½
1	.00½	.00½	Independence	......	.00½	(Feb. 21)		
1	.02½	.02	Indian Gold	21,074	.02½	.02½	.02	.02½
50c	1.40	.95	Island Mountain	5,625	1.30	1.36	1.20	1.20
1	.20	.18	Inter'tl Coal	2,250	.19	.19	.18	.19
50c	.52	.30	Kootenay Belle	20,250	.51	.52	.50	.50
25c	.00½	.00½	Koot. Florence	......	.00½	(Feb. 27)		
10c	.02	.01½	Lucky Jim	1,000	.02	.01½	.01½	.01½
No	.14½	.08	Mak Siccar	2,000	.09	.10	.08	.08
50c	.00½	.00½	Marmot Metals	......	.00½	(Feb. 21)		
1	.18	.12	McGillivray Creek	1,200	.17	.18	.17	.17
50c	.14½	.07½	Meridian Min.	7,656	.14½	.14½	.11	.12
No	.43	.07	Minto Mines	1,211,010	.11	.43	.11½	.35½
50c	.03½	.02	Morning Star	3,900	.02	.02½	.02	.02½
1	.01	.00½	Morton Woolsey	3,000	.00½	.01	.00½	.01
25c	.03½	.02	National Silver	14,200	.03	.03½	.03	.03
50c	.12	.07½	Nicola	12,500	.09½	.10	.09	.09
50c	.05½	.03½	Noble Five	16,600	.05	.05	.04½	.04½
No	.04	.02	Pilot Gold	36,000	.03	.04	.02½	.03½
1	11.85	9.50	Pioneer Gold	3,535	10.25	10.20	9.50	9.65
50c	.07	.04½	Porter Idaho	5,509	.05½	.07	.05	.05
No	.00½	.00½	Premier Border	5,000	.00½	.00½	.00½	.00½
1	.02	.01	Quatsino Copper	......	.02	(Mar. 6)		
25c	.05	.05	Quesnelle Quartz	1,000	.05	.05	.05	.05
No	.12	.08	Reeves McDonald	500	.12	.12	.12	.12
1	.48	.36	Relief Arlington	12,000	.40	.39	.37	.37
1	1.21	1.00	Reno Gold	12,420	119	1.14	1.02	1.04
1	.06	.02	Reward Mining	230,500	.03	.06	.02½	.06½
1	.01	.00½	Rufus Argenta	1,000	.00½	.01	.01	.01
1	.03	.01½	Ruth Hope	......	.01½	(Mar. 5)		
1	.15	.08	Sally Mines	......	.10½	(Mar. 6)		
50c	.13½	.08	Salmon Gold	6,700	.10	.09½	.09½	.09½
50c	.72	.55	Sheep Creek	10,600	.72	.70	.64	.64
25c	.01	.00½	Silvercrest	22,500	.00½	.00½	.00½	.00½
20c	.02½	.01	Silversmith	7,500	.01½	.01½	.01½	.01½
50c	.00½	.00½	Snowflake	......	.00½	(Mar. 5)		
1	.54	.43	Standard Silver	1,700	.48	.48	.43	.47
10	24.25	21.00	Sunshine	......	21.00	(Feb. 19)		
No	.15	.07½	Taylor Bridge	5,300	.09	.11	.09	.11
1	.11	.07	Taylor Windfall	5,500	.07	.08	.07	.08
50c	.02	.02	United Empire	......	.02	(Jan. 30)		
No	.90	.65	Vidette Gold	6,243	.81	.85	.75	.80
No	.00½	.00½	Viking Gold	......	.00½	(Jan. 30)		
No	.01½	.01	Waterloo Gold	1,000	.01½	.01½	.01½	.01½
25c	.01	.00½	Waverley Tangier	12,500	.00½	.00½	.00½	.00½
50c	.20	.15½	Wayside	58,750	.16½	.19½	.16	.16½
20c	.01½	.01½	Wellington	......	.01½	(Feb. 29)		
1	.06½	.04½	Whitewater	600	.05½	.05½	.05	.05
No	.69	.42	Ymir Yankee Girl	......	.44	(Feb. 27)		

OIL STOCKS

Par Val.	Range 1936 High	Low	Company	Sales	Close Mar 7 (or last)	High for week	Low for week	Close Mar.13
1	.18	.09	Alta. Pac. Cons.	7,975	.14½	.15½	.13	.13
1	.11	.05	Amalgamated	16,800	.10½	.11	.10	.10
1	.05	.02½	Anaconda	12,000	.04½	.04½	.04	.04
No	.04½	.02	Baltac	6,200	.04	.04	.03	.03
1	.11½	.05	Crow's Nest	37,200	.11	.11	.09	.09
No	.04	.03	Devenish	2,500	.03½	.03½	.03	.03½
No	.12½	.07½	Freehold	7,400	.07½	.08	.08	.08
No	.07	.04½	Hargal	......	.05½	(Mar. 7)		
No	.17½	.12	High Sarcee	4,000	.16	.16	.14½	.14½
No	.02½	.01	Madison	2,000	.02½	.01½	.01½	.01½
No	.19½	.11½	Marjon Oil	16,300	.19	.19	.16½	.17
No	.08½	.05½	McD. Segur Ex.	1,500	.07	.07	.06½	.06½
1	.40	.20	McLeod	1,020	.33	.34	.30	.33
No	.18½	.12	Mercury	9,200	.13	.14	.12½	.13½
No	.15	.08	Mill City Pete	......	.12	(Feb. 24)		
1	.25	.20	Model	......	.22	(Mar. 9)		
No	.09	.04	Okalta	1,000	.09	.07½	.07½	.07½
No	.07	.04½	Pacalta Oil	10,100	.06	.06	.05½	.05½
1	.83	.52	Ranchmen's	3,375	.76	.79	.65	.70
1	.27	.18	Spooner	......	.26	(Mar. 6)		
No	.09	.05½	United	2,300	.07	.07	.07	.07
No	.09	.05	Vanalta	5,000	.07½	.07½	.07	.07
1	.12½	.12	Vulcan	......	.12	(Mar. 6)		

Corporation Bonds

(Furnished by Toronto Bond Traders' Assoc.)

March 17, 1936

	Int. Rate %	Due	Bid Mar. 17	Asked	Bid Mar. 10
Public Utility Issues:					
‡Avalon 'Phone	5½	'48	101	...	...
Beauharnois	5½	'73	82	85	82
Beauharnois	5	'73	25½	28	25
*Bell T'phone	5	'55	114½	117½	115
*Do.	5	'57	119	122	118
†B. C. Power	5	'60	104	107	104½
†Do.	5½	'60	105	108	106½
†B. C. T'phone	5	'60	106	109	105½
†Calgary Pwr.	5	'60	102	105	102
Do.	5	'64	98	101	98
†Can. Nor. Pr.	5	'53	102	105	102
Dom. Gas	6½	'45	89½	92½	90½
§Duke-Price Pr.	6	'66	104½	107½	105
*Gatineau Pwr.	5	'56	97	100	97
*Do., A	6	'41	88½	91½	87
*Do., B	6	'41	86½	89½	85½
*Int'l. Hydro	6	'44	51½	54½	51½
†Maclaren-Que.	5½	'61	85	88	...
Do.	5½	'64	83	86	...
*Manitoba Pwr.	5½	'51	80½	83½	80
†Mtl. Island Pr.	5½	'57	104	107	104
†Montreal Pr.	3½	'56	99½	101½	99
†Montr'l. Tram.	5	'55	86	89	86
†Do.	5	'41	104	107	104
Nat'l. L. & P.	6	'49	97	100	97½
†N.S. L. & Pr.	5	'58	104	107	104
†Ottawa Light	5	'57	105	108	105
†Ottawa Val. Pr.	5½	'70	80	83	81
†Power Corp.	4½	'50	93½	96½	93½
*Quebec Pwr.	5	'68	105	108	105½
†Shawinigan	4½	'70	104	107	104
†Do.	5	'70	107	108½	107
†S. Canada Pr.	5	'55	104½	107½	104½
†United Secs.	5½	'52	80	83	78½
†W. Koot. Pwr.	5	'56	105	107	103½
†Western Pwr.	5	'49	105	...	103
*Winnipeg Elec.	6	'54	82	85	81
Industrial and Realty Issues:					
Abitibi Pwr.	5	'53	46	49	45
†Acadia Sugar	4½	'55	99	102	99½
†Alta. P. Grain	6	'46	97½	100½	99
‡Asbestos Corp.	5	'42	100	...	100
B. A. Oil	4	'45	102½	105½	102½
*B.C. Pulp & P.	6	'50	...	...	84
Burns & Co. (5/53 int. bearing)			...	...	87½
Can. Biscuit	6½	'46	24	27	25½
Canada Bread	6	'41	108½	111	108½
†Can. Cement	5½	'47	105	108	105½
‡Can. Ss. Lines	5	'43	102½	...	102½
Do.	6	'41	56½	59½	57
†Can. Canners	6	'50	104½	106½	104½
*Can. Int. Pap.	6	'49	...	...	87
C. P. R.	4½	'44	101	103	100
Do.	4	'49	104½	107	104
Do.	3½	'51	97	100	97
Can. Rail & H.	6½	'51	50	53	53
†Can. Vickers	6	'47	92	95	91½
Cons. Paper	5½	'61	33	36	33½
†Dom. Canners	6	'40	...	...	109
†Dominion Tar	6	'49	102½	105½	103½
†East. Dairies	6	'49	87	90	87
†Fam. Players	6	'48	102½	105	102½
†Do.	6½	'48	101	104	101
†Federal Grain	6	'49	99	102	99½
Fraser Cos.•	6	'50	106	109	104
Do.▲	6	'50	...	...	97½
†G. Steel Wares	6	'52	100½	103½	100½
Gt. Lakes Pap.	6	'50	46	49	44
†Gypsum, Lime.	5½	'48	94	97	95
Ham. Cottons	5½	'48	102	...	102½
*Ham. By-Prod.	5	'58	...	...	97
*Hinde & Dauch	5½	'48	102	...	102½
†I. P. & P. Nfld.	5	'68	...	...	102½
Int. City Bak.	5½	'48	103	...	103
Inter-City W. Bakeries	6½	'50	34	38	35
Kingston Elev.	6	'50	95	98	95½
Lake St. John P. & Pa.	6½	'47	91½	94½	...
†Lon. Can. Inv.	4½	'48	...	...	90
London Rlty.	6	'50	93	97	93
†Massey-Harris	5	'47	89	92	...
McColl-Front.	6	'49	104½	107	104½
†Mercury Mills	5½	'53	66	...	64
M. & O. Paper	6	'45	34	37	34
N. Ont. Bldg.	6½	'39	...	...	97
Price Bros. bds.	6	'43	110	113	111½
*Prov. Paper	5½	'47	102	105	102
Queen's Hotel	6	'47	91½	94½	92
*Reliance Gr.	6	'48	102½	105	102½
Richmond-Bay	6½	'47	...	...	97
‡Riordon Pulp	6	'42	104½	...	104½
†Rolland Paper	5½	'48	105	...	105
Ruddy & Co.	6½	'48	99	102	99
†Simpsons Ltd.	6	'49	104½	107	104½
Do.	5½	'49	102½	...	102½
†Smith, How'd.	5½	'53	104½	107	104½
‡Steel of Can.	6	'40	112½	...	112½
Stop & Shop	6	'47	...	...	63
United Corpns.	5	'53	94½	...	94½
United Grain	5	'48	98	101	99
Do.	5½	'49	102	105	102
Zimmerknit	6	'51	96	...	96

‡Payable in Canada or U. K. †Payable in Can., U. S., or U. K. §Payable in U. S. only. *Payable in Can. or U. S. •Unstamped. ▲Stamped.

Unlisted Stocks

(Furnished by A. J. Pattison, Jr. & Co., Toronto)

March 17, 1936

	Bid	Asked
Industrial Stocks:		
Acadia Sugar, c.	4.20	4.35
Do., pfd.	4.95	5.10
Acme Farmers Dairy, pfd.	37.00	40.00
Algoma Steel, new, c.	48.00	50.00
Do., new, pfd.	82.00	86.00
Andian National	47.00	48.50
B. C. Pulp & Paper, com.	1.00	1.70
Do., pfd.	9.00	11.75
Burns & Co., A	12.00	13.00
Do., B	5.75	6.75
Canada Starch, pfd.	91.00	...
Canada Tea, pfd.	35.50	...
Can. Tube, 1st pfd.	48.00	...
Can. Industries, A, c.	220.00	...
Do., B, com.	...	225.00
Do., pfd.	130.00	141.50
Can. Ingersoll Rand	120.00	134.00
Can. Westinghouse	63.00	65.00
Chase, A. W., pfd. bonus	25.00	28.50
Conduits Nat. new, com.	1.90	2.25
Dom. Found. & St., c. (new)	37.00	41.00
Do., pfd. (new)	88.00	92.00
Dunlop Tire, pfd.	65.00	68.00
East. Dairies, pfd.	14.00	15.00
Edm. City Dairy, pfd.	60.00	...
Federal Grain, c.	3.75	4.50
Do., pfd.	60.00	63.00
Goderich Elevator	8.00	8.75
Greening Wire, pfd.	104.00	105.50
Guelph Carpet, pfd.	104.50	105.50
Do., com.	16.00	17.00
Highland Dairy, com.	2.50	3.00
Do., pfd.	81.00	...
Industrial Accept., A	16.50	...
McLaren Power, com.	11.00	12.50
Morrow Screw, pfd.	93.00	...
New Meth. Laund. p. bonus	77.50	81.00
Provincial Paper, pfd.	103.00	104.50
Reliance Grain, pfd.	87.00	89.00
Rob. Cons. Cone	8.75	9.25
Ruddy, E. L., pfd.	40.00	...
Silverwood's Dair., pfd.	46.00	...
Std. Fuel, pfd. bonus	104.75	106.50
Supertest Pet., B. pfd.	27.50	29.00
Toronto Carpet, com.	...	...
Do., pfd.	37.00	...
United Steel, A, pfd.	3.00	3.50
West. Grain, pfd. bonus	20.00	22.00
Trust & Loan Stocks:		
Chartered Trust	79.00	83.00
Guelph Ont. Inv. Sav.	47.00	50.00
London & West. Trust	50.00	...
Sterling Trust	36.00	...
Traders Fin., B. pfd.	70.00	...
Trusts & Guarantee	39.50	41.00
Insurance Stocks:		
British America	38.00	42.50
Canada Life	520.00	535.00
Canadian Fire	76.00	80.00
Can. Ins. Shares, com.	12.00	...
Confed. Life, 20% pd.	119.00	121.00
Contin. Life, 20% pd.	36.00	40.00
Crown Life	105.00%	...
Dominion Fire	114.00	...
Dominion Life, 50% pd.	260.00	300.00
Dom. of Can. Gen.	108.00	...
Empire Life, 25% pd.	7.75	8.50
Excelsior Life, 30% pd.	68.00	72.00
Federal Fire, 25% pd.	38.00	...
Fidelity Ins. of Can.	46.00	51.00
Great-West Life	390.00	396.00
Guar. of N. A. fully pd.	245.00	...
Halifax Fire	21.25	22.25
Imperial Life	310.00	...
Manufacturers Life	266.00	273.00
Monarch Life, 10% pd.	19.00	20.50
National Life, 25% pd.	...	50.00
Sovereign Life, 25% pd.	18.00	21.00
Sun Life	545.00	560.00
Toronto General	4.90	5.50
Western Assur., com.	40.75	...
Do., pfd.	39.75	42.50
Theatre Stocks:		
Allens Beach, pfd.	58.00	61.00
Do., Calgary, com.	6.00	7.50
Do., Kingston, pfd.	54.00	...
Do., Parkdale, pfd.	45.00	49.00
Do., Toronto, pfd. bon. c.	29.00	33.00
East. Theatres, com.	4.50	5.75
Do., pfd.	76.00	81.00
Loew's London, pfd.	2.00	2.50
Do., Toronto, pfd.	111.00	115.00
Mansf. Theatre, pfd.	31.00	...
Para. Kitchener, pfd.	38.00	...
Do., Oshawa, pfd.	66.00	...
United Amusement, A	16.00	17.00
Do., B	15.00	16.00
Investment Trust Shares:		
Can. Gen. Invest.	7.90	8.10
Can. Investors	7.60	8.10
Can. Int. Invest. Tr. Units	69.00	...
Cons. Div. Std. Sec. Units	12.00	13.50
Debenture & Sec., pfd.	49.00	...
Dom. Scott. Inv. Units	30.00	32.00
For. Power Sec., pfd.	13.00	15.00
Invest. Found. Units	49.25	51.00
Sec. Holding Units	21.00	23.00
United Corpns., A	23.25	24.00
Do., B	9.60	...
Power Issues:		
Calgary Power, pfd.	85.00	87.00
Can. Light & Pr. com.	31.00	....
Can. Public Ser., pfd.	28.30	...
Can. West. Nat. Gas, pfd.	97.00	99.00
Do., com.	27.00	...
Great Lakes Pwr., pfd.	87.00	92.00
Inter. Util. 7.00 pfd.	81.00	...
Nor. Ont. Power, pfd.	99.50	101.00
Nova Scotia L&P pfd.	101.00	103.50

Unlisted Mines

March 17, 1936

	Bid	Asked
Albany River	.28	.31
Ardeen	.17	.18
Argosy	.65	.70
Athona (Gt. B. L.)	.34	.36
Athabaska Portal	.20	.22
Bailor	.02½	.03½
Bidgood Kirkland	.92	.95
Bankfield Gold	.43	.45
Big Master	.29	.31
Bosquet Gold	.11	.12
Can. Pandora	.05½	.06
Can. Kirkland	.03	.03¾
Capital Rouyn, new	.18	.21
Casey Contact	.03½	.04½
Canusa Mining	..	.31
Capps Gold	.20	.22
Central Porcupine	.14	.17
Chromium	2.15	2.20
Condor	.09½	.10
Cons. Chib. Free	2.30	2.40
Cons. Chib. Pool	2.25	2.35
Corless Patricia	..	.40
Cuniptau	.24½	.26
Dunlop, new	..	.08
Domestic Nat. Gas	.66	.68
Dorval Siscoe Gold	.18	.20
El Bonanza	.08½	.07
East Malartic	.32	.35
Forty-Four Gold	2.15	2.40
Glenora Gold	.17	.19
Galatea	.05½	.07
Gilbec	.08	.08½
Gold Eagle	.23½	.24½
Greenlaw	.04½	.05½
Groundhog	..	.20
Hudson Patricia	.16	.18
Jellicoe	.05	.07
Jowsey	..	.30
Kaw Crow	.18	.20
Keora Mines	.05	.06
Kirk. Gold Belt	.10	.12
Lafayette L. Lac	.02½	.03
La Roche	.17	.19
Long Lac Lagoon	.04½	.06
Lamaque Gold	3.00	..
Leitch Gold	.45	.49
Madsen Red L.	.30	.35
MacL. Cockshutt	.11	.12
Magnet Lake	.05	.06
Matachewan Can.	..	.15
McCarthy Webb	.10	.12
Mosher	.04	.04½
Moffatt Hill	.07	.08
Moffat Hall (new)	.33	.36
North Shores	.02	.03
Norlake	.34	.38
Oklend	.19	.21
O'Leary	.10	.12
Opemiska Copper	1.60	1.70
Opemiska Mines	.15	.16
Oriole	.09½	.10
Pascalis	.24	.27
Proprietary M.	..	.45
Phoenix	..	.40
Rice Lake	.05	.07
Sand River	.27	.30
Shawkey	.81	.83
Shookum	.16	.18
Shinin Tree	.38	.40
Sladen	.30	.34
Slave Lake	.47	.54
Smelter Gold	.06½	.07
South Keora	.09½	.11
Springer	.08	.09
Straw L. Beach	.10	.13
Sturgeon R. Gold	.45	.50
Thompson Cadillac (new)	..	.25
Wells Long Lac	.08	.10
Wingold	.09	.11
Wendigo	.15	.17
Young Davidson	.20	.23

Winnipeg Stocks

(Transactions from Mar. 9 to Mar. 14)

	Sales	High for period	Low for period	Close Mar. 14
B. & M. Synd.	1	25	25	25
Cons. Goldfields	5,000	.11	.10	.10
Can. Rand	300	.08	.08	.08
Flin Flon	3,700	.35	.33	.34
Dom. Envel., pfd.	2	90	90	90
Gold Lake	4,700	.49	.45	.45
Geneva	85	1.75	1.70	1.70
Kaw Crow	300	.21	.21	.21
Island Lake	2,000	.03½	.03½	.03½
Gurney Gold	800	.44	.43	.44
Kingfisher	5,200	.03½	.02½	.02½
Oriole	1,000	.11½	.10½	.11½
Oxford Mines	200	.30	.30	.30
Rice Lake	6,000	.09½	.06	.07
Scotia	3,500	.06	.05	.05
Scattergood	2,500	.10½	.10	.10
Traders Bldg.	14	71	71	71
Packsack	2,200	.24	.24	.24
United Grain	6	13	13	13
Wingold	11,400	.11	.09	.10½
Wylie Dom.	2,550	.38	.34	.36
Vanson Man.	6,910	.03	.02½	.03
Wallace Lake	4,300	.03	.02½	.02½
Wendigo	500	.15½	.15½	.15½

Stocks Not Traded in During Week*

	Bid	Ask.
Beaver Fire Ins.	..	100
City Dairy, A	..	8
Comm. Securities	..	10
Crescent Cream, pf.	35	40
Home Invest.	23	25
North. Trust	7	..
Pelissiers	..	1
Do., pref.	50	..
West. Steel, pf.	6	..

*Stocks more active on other exchanges not included.

Mining Dividends

	Rate	Close Mar. 16	Yield %
Anglo-Huronian	20c	4.45	..
Bralorne	10+5c	6.90	..
Buff. Ankerite	20c	4.85	4.1
Bulolo Gold	2.60	33.50	7.9
Cariboo	10c	1.35	7.4
Coniagas†	12½c	3.10	..
Cons. Smelters	$2.50+$4	277.00	..
Dome Mines	$2+$2	45.00	8.9*
Falconbridge	30c	8.65	3.5
Hollinger	65c+25c	14.00	6.4*
Howey Gold	5c	.61	..
Hudson Bay	$1	25.12	..
Int. Coal & Coke‡	1c	.19	..
Inter. Mining	60+5	14.25	4.6*
Int. Nickel, c.	$1	48.50	2.1
Kirk. Lake‡	3c	.48	..
Lake Shore	$2+$2	53.00	7.5*
Macassa	15c	3.88	3.8
McGill Cr. Coal	1c	.18	..
McIntyre	$2	41.00	4.9
McKinley Sec.	5c	.50	..
McWatters Gold†	5c	1.39	..
Nipissing	25c	2.55	..
Nor. Can. Mining	2c	.37	..
Noranda	$2	47.50	4.2
Pickle Crow†	5c	4.75	..
Premier	12c+1c	2.20	6*
Pioneer, B.C.	80c	9.75	8.2
Reno	12+2c	1.08	12.9*
San Antonio	21c	2.76	7.6
Siscoe	20c+1c	3.05	6.8*
So. Amer. Gold	30c	6.25	4.8
Sunshine	50c	21.00	..
Sylvanite	20c	2.45	8.2
Teck-Hughes	40c	4.45	8.9
Toburn	8c	1.40	5.7
Wright-Har.	40c+20c	7.80	7.7*
Ymir Yankee†	2c	.50	..

‡Interim. †Initial. *Yield includes bonus.

Metal Prices

New York Mar. 17—

Copper: Electrolytic spot and future, $9.25 to $9.50.
Silver: 44¾c.

London—Mar. 17—

(Long Ton)—
Copper: Electrolytic spot, £40 2s 6d; future, £40 10s. Standard spot, £36; future, £36 7s 6d.
Tin: Spot, £215 10s; future, £205 12s 6d.
Lead: Spot, £16 17s 6d; future, £16.
Zinc: Spot, £15 15s; future, £16.
Gold: 141½s.
Silver: 19⅝d.

Canada—Mar. 17—
Gold: $35.19.

Newsprint Output

The News Print Service Bureau reports that production of newsprint in Canada during January, 1936, amounted to 227,955 tons and shipments to 181,403 ton. The Canadian mills produced 25,996 tons more in January, 1936, than in January, 1935.

Investment Trusts

Trans-Canada	12.60	...
All Can. Com. Trustee Shs.	11.85	12.00
Can. Int. Trustee	5.25	5.75
Grouped Income	5.91	6.45
Can. Invest. Fund	...	4.50
Can. Amer. Trust	3.90	...
Can. Equity Shares	12⅛	...

Listed Bonds

Week Ending Mar. 16, 1936

	Int. rate	Due	High	Low	Range 1936 High	Low
Mtl. L. H. & P. Debs.	3	'39	30½	..	31	30
McNish	6	'48	3.05	3.00	3.75	3.00

Bank Chat

More Stock

THAT nationalization of the Bank of Canada is to be effected by issuance of additional stock comes as no surprise. For some time it has been more or less taken for granted that no action which would disturb holdings of present shareholders would be taken, and the speech from the throne definitely pointed to this method of shifting ownership.

It is considered unlikely the present regime will attempt to "go agin" the governor, but it is by no means certain that radical measures may not be advocated under some future administration. Just what measure of effective control the Government will have even with "appointment of directors in such manner as to ensure voting control of the board of directors by the Government," is not yet clear.

Some authorities have been of the opinion that shaping of policies as well as actual conduct of the bank is directly under the control of the governor. In substantiation of their contention they point to the section of the Bank of Canada Act which reads:

> "No action of decision of the board of directors, or of the executive committee shall have any effect unless the same is concurred in by the governor, or in his absence or incapacity, by the deputy governor."

* * *

Nominal Cost

JUST how the actual transfer will be carried out is still pretty much of a mystery. It has been reported that a cheque will be drawn for the amount of the shares against the Government's balance with the bank, which currently stands at about $25 millions.

A good deal of unnecessary red tape would be obviated, however, if the additional stock were acquired for a nominal amount. It has been suggested, for instance, that the right of note issue which the Government ceded to the bank could be valued at the necessary amount.

Another point which is not yet clear is whether, if the Government actually pays for the stock and receives dividends on it, two-thirds of the surplus is still paid to the treasury. If so, accumulation of the bank's reserves would seem to be a relatively slow process.

There appears to be no question but that the bank could easily cover the additional dividend requirements, if as has been suggested $6 millions of stock is issued. It is a question, however, whether the new stock should be dividend paying in view of the effect on reserves and the fact that a large contribution is already made to government coffers.

* * *

Pay Roll Costs

THE question of service charges is still a very live issue, and although it is understood no definite report has been made by the bankers' committee considering a uniform schedule, apparently some of the banks are more strictly enforcing the levies.

The most recent development is a charge for pay roll accounts. A widespread practice has been for civic departments and business concerns to deposit a sum of money, which was then apportioned by the bank among the accounts of employees. This method of handling pay roll relieved the depositing companies of considerable clerical work and also saved cheque charges. This last item mounted to a quite respectable total in some instances, particularly where salaries were paid monthly and six-cent stamps were more often required.

Formerly this service was performed by the banks free of charge. A number of concerns, however, have now been advised that in future there will be a charge of three cents for each account credited. It is a fair charge.

* * *

Service Charges

SPEAKING of service charges, a number of Ontario depositors who have been assessed for issuing cheques have switched their balances to the Ontario Savings Office. Here, they said, they could draw as many cheques as they wished and at the same time obtain additional interest.

The Savings Office itself is feeling the pinch of relatively heavy service costs, and it is understood the provincial treasury department has under consideration a scheme for limiting the number of cheques to a "reasonable" maximum.

* * *

Politics and the Banks

BANKERS will probably get a smile out of the remarks of a liberal member of the Federal legislature during a recent discussion. In speaking of the existing banking situation, the honorable member discoursed as follows:

> "I would point out that governments today are taking practically all the credit that banks see fit to extend, and the result is that private individuals and corporations seeking credit cannot get it, because banks are able to make all the profit they want out of lending credit to public institutions. What chance has anybody who wishes to engage in business to borrow money at a reasonable rate of interest when the banks can lend to governments at five and six per cent?"

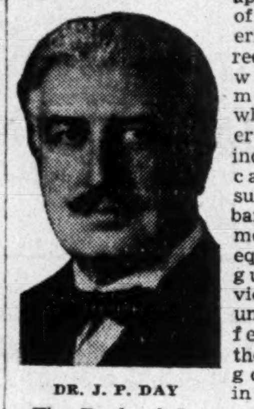
It is ridiculous, of course. Banks are certainly not making all the profit they would like; if they can get half the return from government securities intimated they are fortunate; and they direct funds into investment in government securities only because more lucrative commercial loans are not available. Yet it is the sort of stuff that many people believe, and which still more will believe unless openly contradicted by bankers.

Impartial Management Problem of Central Bank

Freedom from Political Interference More Important than Ownership of Capital Stock

By DR. J. P. DAY

The real problem of Central bank status is concerned less with the ownership of the stock, whether public or private, or with the mode of appointment of the Governor and directors, than with the method by which a proper degree of independence can be assured to the bank management, an adequate safeguard provided against undue interference by the political government in power.



DR. J. P. DAY

The Bank of Japan was not designed to be exclusively privately owned, for though Japanese citizens may, with the permission of the minister of finance, purchase shares, the government may also become a shareholder to an extent limited to one-half the capital. Nevertheless, if the shares were held entirely by private citizens, as is actually the case, the provisions of article 24, that

> "the Government shall control all the operations of the Bank of Japan and shall prevent not only any operation which is contrary to the act or by-laws but also any measure that the Government may deem disadvantageous for the State"

would render the management completely subservient to the government.

The National Bank of Copenhagen was not publicly owned until May 1, 1934, but, if it had been, the provisions of article 2, that

> "no order from the government shall ever directly or indirectly interfere with the bank's management nor shall any encroachments on the means or money held by the bank be permitted."

would make the management completely independent of the government.

Thus it is conceivable both that a privately-owned central bank could be brought entirely under government control and that a state central bank could be made entirely independent of the government. Who actually owns the shares is, therefore, of less importance than the arrangements made as to the independence or otherwise of the management.

Nevertheless, if it is thought advisable to emphasize the desirability of independence, private ownership of the stock will be preferred. Of 33 central banks about one half are privately owned, half a dozen are State owned, and the remainder permit both state and private subscription, though in some cases the state has not subscribed and in others state subscription is limited to a relatively small proportion of the stock.

Set-Up of Bank

The governing bodies of central banks vary considerably. The usual structure is to have a governor as head of the bank and a board of directors. The governor, or president, may be the most important officer, or he may be more or less honorary as president of the board, with a general manager exercising most influence. The board of directors may be a large body, in which case a selected group form the executive committee. In some central banks there is also an advisory council. Using the term governor to denote the responsible head of the bank, we find that he is almost invariably appointed by the state, though in England and certain South American countries he is elected by the directors.

The directors of state central banks are nominated by the state, but for privately-owned central banks the practice varies, the usual arrangement being either election by the shareholders or a mixed directorate partly elected by the shareholders and partly nominated by the state. In most cases there are definite prohibitions, nearly always of aliens and sometimes of certain occupations like banking and politics.

The above are the legal arrangements; the actual working may be somewhat different. A governor nominally appointed by the Crown may in reality be selected by the minister of finance or the government; directors nominally elected by the shareholders may actually be placed in power by the chambers of commerce.

Management Independence

Though the ownership of the stock and the method of electing the management and of defining its tenure have their influence and importance, the most essentially important arrangement is concerned with the provision of adequate independence of management. Independence of management is of no advantage if the bank is always to agree with the policies of the government; to grant a measure of independence means that we expect and desire the bank at times, possibly very infrequent times, to oppose the government, and it is important to be clear why it is considered advisable to set up an institution which under certain circumstances may hamper or thwart the government in power.

The justification can only be that it is in the general interest of the community that it should do so, but what reasonable grounds are there for supposing that the bank may on occasions be a better judge of the general interest than the government would be? The answer is that in matters coming within its special field of action, in matters of monetary policy, the bank is more expert and more impartial than the government. It is more expert because of the concentration of attention and the continuity of experience.

Governor's Qualifications

A governor of a central bank whose life work has been mainly within its walls and whose tenure of office may have been of considerable duration is likely to be more expert than a minister of finance who only came into office with the government and may leave it at any moment through his promotion or their defeat. The governor is free to devote himself to the problem of high monetary policy; the minister must take part in the joint responsibility of the cabinet for government policy in all fields.

It is, however, the impartiality of the governor which is so valuable. He can always disregard party interests for the sake of the wider national interest in a way no party government can afford to do. He does not run his bank for the interest of the shareholders since their dividend is fixed at a definite maximum, usually easily earned.

If he himself was a wise selection for office, if his tenure is sufficiently independent of the government in power, if he can dominate his board of directors either by the right of veto or through his own personality, there is nothing to twist or turn him from a unbiased devotion to his main job, which is, in the interest of the nation, to maintain, so far as lies in his power, the soundness of the monetary unit.

Political Influence

That should, of course, be the object of the government's policy also. But the government are more likely to fail or falter, either through ignorance or driven by political expediency. A good example of both causes is shown in the silver policy of the present United States government, where political expediency dictated action intended to raise the price of silver but likely, through driving China, the one great silver currency country, off silver, to result in a substantial fall in the world price of that metal.

A government may fail through honest ignorance, through not appreciating the repercussions of its monetary policy, through lacking the understanding which the governor of the central bank has gained by concentrated, continuous attention and day to day experience. This sort of honest ignorance is especially liable to be found when a political party has perhaps by an extension of the franchise, perhaps by some emotional wave of public opinion, been swept into office for the first time in its history.

Over-Borrowing Dangerous

The commonest case, however, of governments adopting unsound monetary policies is over-borrowing. Government spending is always popular, whereas retrenchment and economy in the public service are strongly resented by the interests directly affected. Heavy taxation to raise the necessary revenue is always disliked and may be politically suicidal for the party in power. Governments are, therefore, always under temptation to borrow more than justifiable in the national interest. Over-borrowing today only eases conditions now at the cost of worse trouble in the future.

A government is seeking to improve its chances of re-election; borrowing instead of taxation will undoubtedly do that, and for too many governments that is sufficient reason for their choice. They leave the difficulties of the future to chance or their successors. The central bank is not concerned with party fortunes; its management sees clearly the unwisdom of casting too heavy a burden on the future and prefer, in the national interest, to pay as we go rather than to lighten the burden for one generation only to overwhelm the succeeding one.

Effect on Loans

An independent central bank would, therefore, endeavor to oppose over-borrowing by the government. How can it do so? So long as the government floats its loans on the market and borrows the real savings of the people, the central bank cannot prevent it, but a spendthrift government is likely to find difficulty in floating its loans, more and more extravagant rates of interest have to be offered to ensure that the loan will be taken up, and the high interest rate advertises publicly the depreciating credit of the government.

To avoid this, the spendthrift government would find a subservient central bank highly convenient. It forces the bank to lend it money in return for government obligations—treasury bills or bonds—in the same way as the United States government forced the Federal Reserve Banks to lend it large sums. It is precisely this tendency of the government to borrow too much from the central bank that the bank needs to be independent enough to check.

When the bank is a state bank, it is helpless, but if its charter has granted it adequate independence, it can refuse to lend any further sums. The Netherlands Bank is safeguarded by article 16 which limits the amount the government may borrow from it to fifteen million guilders, and many of the European central banks are protected by similar specific restrictions on government borrowing.

Case For Independence

Sir Basil Blackett has said that the ideal relations between the government and the central bank can never be determined by first principles but must always differ from one nation to another.

Let us consider, in the first place, the strongest case for the independence of the central bank. In a country where the central bank has built up a tradition of accepted public responsibility, where pressure from the shareholders or any other group has been rendered impossible or innocuous, when the world is on the gold standard, the essential job of the central bank is the unobscured one of maintaining the national monetary unit at par with gold. But in a country where the succeeding party governments have shown themselves liable to subordinate sound finance to political expediency, it would be highly desirable that the management of the central bank should be independent of the government in power.

Such a bank would never obstruct or oppose government policies except in the one case that they were financially unsound. If, therefore, the government seeks to introduce some measure of control over the bank, it can have only one motive: the desire to dope the watchdog, to remove the last obstruction to its unsound and usually inflationary policies. There is nothing whatever to be gained by introducing government control, since the bank would never interfere in political matters unless the soundness of the national monetary unit was threatened, and even so its interference is limited to not abetting such a policy rather than preventing it.

Legislation Means Delay

In the last resort, the government can pass fresh legislation altering the status of the bank, but the advantage of an independent bank is that it can force the government to pass fresh legislation before the unsound financial policies can be facilitated by the bank itself, and this check may give the country time to rally against some fatal step.

It is difficult to find any instances of a central bank improperly interfering with government policies; on the other hand, the cases where a government has forced unsound policies on a central bank are quite plentiful. In 1925, the bank of France, under compulsion from the government, not only broke the law but published false balance sheets to hide the fact. "The whole experience of the United States seems to show," in the opinion of Mr. Dodwell, eminent banking authority; with whom many will agree, "the great desirability of keeping banking and monetary policy as removed from party politics as possible, in normal times." Many other examples could be given.

Experience Enlightening

The advantage of granting independence to the central bank is more widely recognized after a period of bad government finance has opened the eyes of people to the dangers against which such independence is intended to guard. The inflationary debauches of so many governments during and following the Great War did much to strengthen the support of the opinion of experts that independence was essential.

Hence we have the often-quoted resolutions of the Brussels Conference of 1920 and the Genoa Conference of 1922 that central banks, and especially banks of issue, should not only not be state banks but should be free from all political pressure and conduct solely along the lines of prudent finance. That would seem to remain as the official opinion of international experts, for it has been several times repeated, perhaps the latest occasion being in the statement of monetary and credit policy submitted by the preparatory Commission of experts to the World Monetary and Economic Conference at London in 1933:

> 'We would suggest that the Conference emphasize the importance of the monetary organization being so arranged as to make central banks independent of political influence. We feel it also important to suggest that governments in their economic and financial policy should avoid increasing the difficulties of central banks in the discharge of their responsibilities."

Trend to State Control

In spite of this unanimous, reiterated, and quite definite opinion of the world's experts, there has been, during these last few years, some tendency for certain governments to undermine the independence of central banks and introduce in varying degrees measures of state control. In countries where wild economic experimentation needs the support of unorthodox finance, it is, of course, necessary for the state to capture the central bank. Apart from such cases, there are two reasons, which furnish an explanation, without necessarily a justification, why some people regard more favorably today an element of state control in the central bank.

The first reason is that the great deflation of prices since 1929 has led public opinion to be more tolerant of inflation (or reflation) today than it was in 1919 or, after the German mark collapse, in 1924. Some people, desiring a higher level of prices through currency and credit manipulation, fear that the central bank, if it has sole control, will tend to adopt a too orthodox, so to speak, point of view and might sacrifice industrial interests to financial ones.

It is argued that, though the central bank is quite justified in maintaining stability of purchasing power of the monetary unit when the level is already satisfactory to the general economic welfare of the country, it is not justified in maintaining it when the level is too high, but, being a bank and with, it is supposed, a banker's way of looking at things, it may be too loath to permit any readjustment to a lower level. Hence it is thought the state might usefully be given some measure of influence within the bank's management that would tend to correct any bankers' bias that may exist.

Determination of Money Policy

The second reason is much the same as the first, but can be expressed differently. So long as the world had an international standard of value, gold, there was no room for dispute between the central bank and the government as to the proper object of monetary policy, which was to maintain the value of the monetary unit at par with gold, and any failure was shown up by the influx or efflux of the metal. But today there is no international standard of value and in each country some authority has to decide the very important question as to the proper object of monetary policy: is it to be the maintenance of a certain domestic purchasing power, or stability with sterling, or the dollar, or some other unit, or simply drift? This question of paramount importance to national welfare can scarcely be left to a privately-owned central bank; it is one which the government must decide and, having decided, must take steps to maintain its policy effectively. Hence the establishment of exchange equalization funds under the control of the finance minister and the arrangements by which the central bank is empowered, under government guarantee, aaginst loss or profit, to buy and sell foreign exchange at the minister's request.

Neither of these reasons, however, justifies a government in subjecting the bank to political influence. The management of the bank should be left uninvaded by government representatives or nominees. There is not the slightest reason to suppose that the bank would not honestly accept, and endeavor to facilitate the establishment of, whatever ultimate standard of value the government decided to adopt. Whether, for example, the Canadian government decided to allow the Canadian dollar to drift, to tie it to sterling or to the U.S. dollar, the Bank of Canada would accept the decision and co-operate.

It is not necessary to have government control of the bank in order to ensure this. On the other hand, it is still a very great advantage to preserve the bank's independence, the reasons for this already given remain still valid. Indeed they are strengthened, because the over-borrowing by the government which, under the gold standard, is exposed by an outflow of gold, is masked, when the gold standard no longer operates, as a falling exchange for which popular opinion would not blame the government borrowings but would ascribe to other causes.

Mutual Safeguards

A wise government and a wise central bank would work together in complete harmony, but in an imperfect world we cannot be certain that such double wisdom will always be in evidence. Hence the advantage of some system of checks and restraints, so that the bank can prevent the sacrifice of sound finance to political expediency, and the government can correct any tendency of the bank to favor the holders of money as against the producers of goods. As there are much more frequent chances and inducement for the former contingency to threaten, it would be, for most countries, the path of wisdom to grant the central bank complete independence of the government in power, subject only to the check that, should the bank's policies and management prove unsatisfactory—but not till then—the government could, with the support of parliament, pass new legislation to alter the status of the bank. To conclude with a quotation from Kisch and Elkin authors of "Central Banks":

> "The danger of state control of the currency lies in the temptation to a government to treat its political difficulties as justifying a course of action only permissible in an emergency of an entirely different order."

Question of Control Doesn't Matter Much

With the Bank of Canada having just completed a year's operations, and more particularly in view of the proposed nationalization programme, a discussion of the relations between a government and a central bank is of definite interest and importance.

In the accompanying columns, Dr. J. P. Day, professor of economics at McGill University, points out the wisdom of mutual safeguards, whereby the bank can prevent sacrifice of sound finance to political expediency, and the government may curb any tendency to over-emphasize sound finance at the expense of production.

It matters little, he contends, who has the controlling interest in the bank's stock. What is of prime importance is whether there is independence of management—freedom from political domination.

Saint John Harbor Reports Gain in Cargo

From Our Own Correspondent

MONTREAL.—Saint John Harbor Commission reports 254,786 tons of cargo handled during February, of which imports totalled 82,431 and exports 172,355 tons. The same month a year ago, imports amounted to 51,119 and exports 135,091 tons, making a total of 186,210 tons.

Coast Municipalities To Be Given More Aid

From Our Own Correspondent

VANCOUVER.—Definite promise of further financial assistance to British Columbia municipalities after the fall session of the Legislature was given by Hon. John Hart, minister of finance, when he presented the Pattullo government's third budget.

Mr. Hart's budget contained few important announcements. The government plans no change in the present taxation programme, although it is probable that a sales tax will be introduced in the fall to relieve lower bracket income levies.

Additional Banking News on page 27

1866 1936

BRITISH AMERICAN
BANK NOTE COMPANY
LIMITED

THE OLD CANADIAN COMPANY

Specializing in the Production of Bonds and Debentures for Governments and Municipalities

HOWARD W. PILLOW
President

CHARLES G. COWAN
Vice-Pres. & Man. Dir.

G. HAROLD BURLAND
Sec.-Treas.

HEAD OFFICE : OTTAWA
262 Wellington Street

511 Place d'Armes
MONTREAL

1110 Bank of Hamilton Bldg.
TORONTO

Volume 13 Now Ready—

THE FINANCIAL POST
RECORD OF PROSPECTUSES

Volume 13 covers two years, January 1st, 1934 to December 31st, 1935

One of the most Valuable and Original Ideas in Canadian Financial Publications ever Produced.

The Financial Post Record of Prospectuses was conceived with the idea of providing a complete, permanent and readily accessible record of prospectus advertising, a summary of Government, Municipal and Corporation financing, and a record of dividend and bond interest payments. It opened a field theretofore untouched. Many firms and officials that had been endeavoring to keep records for their own use, have found that this volume replaces a cumbersome, expensive system with a complete and accessible record in the handiest possible shape. Firms which spend thousands of dollars on their statistical service find the Record of Prospectuses of great value. They are among the largest buyers of this service.

The twelve volumes that have been published prior to this present one, have each, as they appeared, met with an enthusiastic reception. They form an invaluable part of the records of nearly every progressive financial institution in Canada.

The thirteenth volume makes the record complete to the end of the year 1935.

You will find this volume valuable. Because permanency is necessary the Record of Prospectuses is expensively bound, with pure gold printing on the cover, real leather corners and back and handsome red buckram cover. The price per volume is $7.00. Quantities of five or more $5.00 each.

Copies of the earlier volumes are still available at the issue price.

The Complete Service

Built to Endure

Ten years from now the Record of Prospectuses will be as valuable to you for ready reference as it is today. And so we have built it to endure for years. The volumes are bound in red buckram with leather backs and corners. They are more than permanent and sturdy; they are a handsome and dignified addition to any office library.

GROWS MORE VALUABLE AS THE YEARS ROLL BY

Gives a Unique Service in Providing Records Essential to Canadian Finance, Records that Have a Value for Many Years.

The following features are contained in Volume 13:

RECORD OF PROSPECTUSES. All prospectuses of financing for 1934 and 1935 are given. These are grouped in one section for easy reference and comparison.

SUMMARY OF CANADIAN FINANCING. This important department covers all offerings announced from January 1, 1934, to December 31, 1935. For Government and Municipal bonds it gives the date, amount, rate, when due, name of purchaser, price and cost basis. For Canadian corporation bonds it gives, beside the name of the issue, the month offered, amount, rate, maturity, by whom offered, where payable, price and yield. For Canadian corporation stock issues, the name of issue, when offered, amount, dividend rate, class of stock, by whom offered, price and yield. As well as the above, similar details are given on Foreign Corporation Stock Issues and Foreign Bonds, unspecified portions of which were distributed in Canada.

MATURING BONDS. One department gives the time and place payable, amount, and date, of all bonds maturing during the next six years.

RECORD OF DIVIDEND AND BOND INTEREST PAYMENTS. This important information is given for all Canadian corporation stocks and for all Canadian bonds, with the rate, amount and date or dates paid.

CUMULATIVE INDEX. In order that there may exist a thorough co-relation between Volume 13 and the volumes that preceded it, a consolidated index covering Volumes 1 to 12 (period, January, 1926, to December, 1933) has been prepared. All public offerings in that time are listed alphabetically and the volume of the RECORD OF PROSPECTUSES and the page where the prospectus is reproduced, is indicated.

PERMANENT ORDERS

Many banks, trust companies, investment banking houses, bond merchants, insurance companies, as well as government officials, municipal treasurers, and large institutional investors—in all numbering hundreds—have given us a permanent order to send each copy of the RECORD OF PROSPECTUSES as published. They find it indispensable. You may obtain this service, too, by filling in the coupon order below.

USE THIS ORDER FORM

SUBSCRIPTION PRICE
Per Volume .... $7.00 each
Five or More Volumes $5.00 each

☐ Volume 1, Jan. to June, 1926.
☐ Volume 2, July to Dec., 1926.
☐ Volume 3, Jan. to June, 1927.
☐ Volume 4, July to Dec., 1927.
☐ Volume 5, Jan. to June, 1928.
☐ Volume 6, July to Dec., 1928.
☐ Volume 7, Jan. to June, 1929.
☐ Volume 8, July to Dec., 1929.
☐ Volume 9, Jan. to June, 1930.
☐ Volume 10, July to Dec., 1930.
☐ Volume 11, Jan. to Dec., 1931.
☐ Volume 12, Jan., 1932, to Dec., 1933.
☐ Volume 13, Jan., 1934, to Dec., 1935.

THE FINANCIAL POST,
481 University Ave.,
Toronto 2, Canada.
.... 1936

Please send me the copies of The Financial Post Record of Prospectuses I have checked.

I enclose $............ in payment.

☐ I would like you to send me also each new volume of the Record of Prospectuses, automatically, as soon as published and bill me.

(Check "√" in space provided, if you desire the advantage and convenience of a permanent order.)

Name ....
Firm or Corporation ....
Street Address ....
City 658

Union Mutuals Of Des Moines Lose Licenses

Solicitations by Mail Were Continent-wide — Two Companies

CONFUSION OF NAMES

Announcement that the licenses of the Union Mutual Life and the Union Mutual Casualty of Des Moines, Iowa, have been revoked by the Iowa State Insurance Department, should remove two companies which have long figured in the insurance records of Canada.

Although neither of these companies were licensed to do business in Canada, they both operated in this country through the mail and were the subject of repeated enquiries on the part of The Financial Post readers.

Refused Canadian Mails

A little over two years ago, G. D. Finlayson, federal superintendent of insurance, announced the privilege of using the mails in Canada had been withdrawn from the Union Mutual Life at the same time that similar action was taken against five other insurance concerns.

The Iowa companies are not to be confused with the Mutual Life of Portland, Maine, which commenced business in Canada in 1868 and at the end of 1934 (latest available figure) had approximately $6 millions of insurance in force in this country.

Receiver Appointed

Union Mutual Life of Iowa has been charged with irregular practices, while the casualty organization is said to be insolvent, and the State Insurance Commissioner has been appointed receiver. Two brothers, William and Karl Schulz, were president and secretary of the two companies until a few weeks ago when, according to Eastern Underwriter, they resigned from the life company after an injunction had been brought against it.

The company did most of its business by mail, only $3 millions of its $20 millions business in force being in Iowa. The U.S. postal authorities are reported to have been investigating the life company for some months.

Insurance Reports

Western Empire

New insurance issued by the Western Empire Life Assurance Co. in 1935 totalled $1,451,000— a small increase over the corresponding figure a year ago. Total business in force showed a small decline to $7,051,000.

Analysis of new business issued during 1935 showed slightly less than $1 million to have been on the participating plan, and the remainder non-par. The company also wrote a group policy of $37,000 during the year.

Analysis of the company's assets shows a further gain in the proportion of farm mortgages held and a smaller amount of real estate. Interest earnings in 1935 were almost seven per cent on mean invested assets.

Sauvegarde

An increase of more than 100 per cent in new insurance paid for in 1935 is the record of Sauvegarde Life Insurance Co. The 1935 total of $6.3 millions is the largest figure volume of insurance on a paid-for basis placed by the company in many years.

New business issued increased over 14 per cent to a total of $7.9 millions, of which just over $5 millions was participating business and the remainder non-par. Total business in force made a substantial gain to $28.3 millions compared with $25.7 millions at the end of 1934.

Insurance Inklings

C. H. BIRKBECK, formerly city manager at Montreal Notre Dame for London Life, has been made city manager at Toronto, Danforth.

NORMAN FREEMAN of London Life, city manager at Ottawa has been moved to Montreal, N. D. G. branch.

EARLE H. DAVISON has been appointed city representative for Continental Life at Edmonton.

HARRY T. WRIGHT, rated as one of the foremost life insurance salesmen in the United States addressed the monthly meeting of the Life Underwriters Association in Toronto, Mar. 19. Mr. Wright is with Equitable Life at Chicago; is chairman of the Million Dollar Round Table of U. S. underwriters, and has an average production of $1.3 millions of business annually for the past 13 years.

JOHN N. BABCOCK has been appointed manager, Seattle Branch of the Great-West Life. Since 1930, Mr. Babcock has been with Excelsior Life in recent years in the capacity of assistant superintendent of agencies for the company's western division.

HON. G. S. HARRINGTON who recently resigned as head of the Employment and Social Insurance Commission of Canada, has announced the establishment of a general insurance agency at Halifax. He will represent the Palatine Insurance Co., of Eng., and other companies.

F. B. SIZE, city manager of London Life at Windsor, recently completed 35 years service with the company.

W. J. GRAY has been transferred from Calgary to London as branch manager of Manufacturers Life Insurance Co.

H. R. SNUGGS, for the past 16 years with the Canadian Fire Underwriters' Association, has been appointed Montreal inspector of the Union Fire, Accident and General Insurance Co.

M. J. JOHNSTON has retired after 30 years as manager of the Kingston, Ont., branch of Manufacturers Life. He was the company's first manager at that point.

A. E. LOADMAN, supervisor of conservation for Great-West Life has been appointed assistant secretary of the company.

Ontario's Life Insurance Now Almost $2.8 Billions

New insurance issued in Ontario during 1935 declined six per cent from the previous year's figure, according to preliminary figures released by the Ontario Insurance Department this week.

The total of $292 millions for 1935 is the first time this figure has dipped below the $300 millions mark since 1924.

Additions to business (other than new insurance issued) reached the high level of $134 millions, however, compared with $110 millions the previous year. Business in force in the province at the end of the year showed a small gain for the second consecutive year, the total at the end of 1935 being almost $2.8 billions.

Income and Disbursements

Analysis of premium income showed considerable gain from group insurance and a small gain on industrial business. Income from ordinary business and also net consideration received for annuities showed declines. Total net premium income from all sources declined about two million dollars to $87.1 millions.

A small decline was also shown in disbursements to policyholders, which totalled a little more than $65 millions, compared with $66 millions the previous year. Of this total, the largest sum ($28 millions) was paid out in surrender values, with death claims absorbing $17 millions, and policy dividends $12 millions.

Comparative figures for individual companies writing in Ontario are as follows:

LIFE INSURANCE COMPANIES—ONTARIO BUSINESS 1935

	Net consideration for Annuities	Total Premium Income	New Policies Issued		Insur. in force Dec. 31, 1935	
Joint Stock	$	$	No.	$	No.	$
Aetna	5,418	586,476	315	2,134,127	4,198	43,902,606
Canada	1,443,616	6,336,472	3,474	10,021,947	53,867	209,471,873
Com. Union	......	205	....	......	12	26,684
Confederation	729,938	3,202,645	3,419	8,885,105	41,802	98,775,546
Continental	55,159	591,689	1,843	3,781,395	10,977	19,896,598
Crown	169,436	1,342,717	1,847	4,591,324	17,272	36,331,023
Dominion	441,852	2,159,159	2,111	9,037,370	25,733	72,547,482
Dom. of Can. General	3,160	126,791	521	914,606	2,936	5,978,778
Eaton, T.	......	407,120	576	1,238,290	6,338	14,291,560
Empire	30,671	398,879	879	1,564,895	7,870	13,637,618
Excelsior	25,945	1,140,702	3,617	7,595,689	21,409	46,012,991
Great West	127,886	4,091,233	3,838	9,803,388	56,594	124,173,753
Imperial	252,265	3,208,486	2,828	7,319,902	40,057	103,883,898
L. & L. & Globe	......	1,069	....	......	21	38,626
London	173,728	9,576,927	64,132	46,094,121	388,780	330,251,775
London & Scottish	......	158,021	251	1,084,001	2,553	6,635,706
Manufacturers	306,061	3,567,357	3,916	9,468,300	49,296	114,188,281
Monarch	23,687	351,697	....	1,744,597	......	11,421,692
Montreal	113,296	340,736	425	1,443,171	2,284	7,984,845
Mut. L. & Citizens	......	307,677	6,235	1,723,743	32,347	8,879,735
National	32,472	422,569	780	2,223,530	6,270	15,390,487
North British	......	6,208	....	......	19	170,858
Northern	8,557	469,851	905	2,882,134	10,199	18,162,628
Occidental	122	49,267	88	219,514	656	1,904,501
Ontario Equitable	44,156	767,568	945	3,331,443	13,249	31,879,772
Phoenix Assce.	......	38,499	8	55,899	441	1,824,297
Prudential Assce.	85,314	296,743	1,115	2,323,717	3,387	7,049,458
Royal	......	180,891	209	648,407	1,367	6,527,285
Sauvegarde	......	81,798	386	471,781	1,769	2,607,141
Sovereign	72,269	207,810	836	1,974,340	3,403	6,348,216
Sun	824,551	8,863,469	5,531	17,537,368	90,876	297,548,486
Travelers	50,013	1,011,171	508	2,265,500	6,964	39,701,608
Union Labor	......	2,997	6	9,000	43	80,502
United States	987	13,367	....	......	113	388,853
Western	......	5,129	7	13,000	66	97,750
Mutual						
Ancient Foresters	......	146,634	5,342	1,677,558	11,886	4,804,753
Metropolitan	473,524	14,391,979	111,481	53,980,191	916,573	404,486,551
Mutual Relief	2,575	280,383	514	920,373	8,117	9,704,211
New York Life	33,548	1,576,317	778	1,511,496	19,357	44,820,856
Prudential	100,097	9,138,034	107,918	36,729,841	738,464	264,264,111
Royal Guardians	......	61,763	1,276	538,322	5,533	2,205,553
Standard	......	255,459	458	1,299,846	3,532	9,969,795
State	......	13,929	....	......	87	936,286
Mutual of Canada	489,261	8,626,557	8,130	21,033,000	105,632	274,925,469
North America	448,976	2,354,702	3,559	11,859,732	30,135	71,815,572
Totals, 1935	6,578,552	87,158,573	351,007	291,952,462	2,742,484	2,785,947,069
1934	7,929,310	89,189,215	364,095	311,025,759	2,708,758	2,717,179,201

Life Company Shareholders, 11.

National Life

Five Shareholders Control 75 Per Cent of Stock Outstanding — Ninety Other Shareholders in Company

Seventy-five per cent of the shares of National Life Assurance Co. outstanding are held among five people. At the top of the list comes H. Beaton, president and managing director of the company who with his wife holds over 2,800 shares. The late Frederick Sparling, for years managing director of the company and who was associated with the organization from its inception, held 1,573 shares.

Another official with a long record of service to his credit is Dr. Albert MacDonald, chief medical officer of the company, with 1,306 shares. The remaining member of the group is Alfred Rogers—son of the late Elias Rogers who formerly controlled the company.

As with other Canadian companies whose shares have been analyzed in previous articles, the stake of shareholders in the company is small ($250,000) compared with that of policyholders who own the bulk of the $11,800,000 assets shown in the company's last annual report. Apart from the five blocks of stock mentioned previously there are almost ninety individual shareholders scattered in many parts of Canada.

The latest official list (December 31, 1933) follows:

Name and Address	No. of Shares
Andrews, Miss L. E., Wolfville, N.S.	20
Beaton, A. H., Toronto, Ont.	1,513
Beaton, Mrs. Mary L., Toronto, Ont.	1,299
Beique, F. L., Inc., Montreal, Que.	25
Birks, John E., Jr., Toronto, Ont.	15
Birks, J. E., Winnipeg, Man.	168
Brown, Est. of Thos. A., Toronto	10
Callaghan, J. Orr, Hamilton, Ont.	20
Campbell, Mrs. Beatrice, Victoria	80
Challoner, Est. W. L., Victoria, B.C.	10
Chapin, Arthur S., Toronto, Ont.	25
National Trust Co. (Rev. A. B. Chilson), Toronto, Ont.	20
Cira, Joseph, Toronto, Ont.	10
Clarke, J. J., Millerton, N.B.	10
Cox, Miss Louise M., Westmount, Que.	25
Cox, R. Emmet, Montreal, Que.	35
Crease, A. D., Victoria, B.C.	10
Dunbar, Hugh M., Biggar, Sask.	10
Elliott, Dr. J. E., Toronto, Ont.	20
Fisher, Mrs. Elsie M., Toronto, Ont.	13
Fleming, Mrs. Catherine, Victoria	5
Fleming, Harold, Victoria, B.C.	5
Forster, Anson H., Port Credit, Ont.	11
Fortier, Dr. L. E., Montreal, Que.	50
Ganong, Mrs. Maria F., St. Stephen, N.B.	50
Gilding, Miss Minnie, Toronto, Ont.	2
Givens, Mrs. Anne C., Toronto, Ont.	1
Givens, W. G., Esq., M.D., Toronto	25
Gladman, Miss Muriel I., Toronto	17
Gouinlock, Miss Laura H., Toronto	8
Gouinlock, Robert W., Toronto, Ont.	7
Graef, Dr. Charles, Bronx Borough, N.Y., U.S.A.	10
Graham, Rt. Hon. Geo. P., Brockville, Ont.	25
Greer, Miss Eva M., Toronto, Ont.	5
Guest, Miss Enid, Amherst, N.S.	20
Gund, Geo., Wilmington, Delaware, U.S.A.	30
Harris, William T., Toronto, Ont.	15
Hart, Dr. A. P., Toronto, Ont.	130
Hayward, Charles, Victoria, B.C.	25
Henderson, A., Sevenoaks, B.C.	10
Huestis, R. M., Toronto, Ont.	20
Jones, Estate Dr. J. R., Winnipeg	15
Keenea, Mrs. Annie, Toronto, Ont.	2
Kirk, Miss Jean M., Antigonish, N.S.	40
Knowlton, A., Toronto, Ont.	15
Knowlton, Mrs. Charles, Toronto	25
Lawrence, Dr. F. O., St. Thomas	10
Lawson, Messrs. J. H. and H. G., Victoria, B.C.	10
Lemieux, Hon. R., K.C., P.C., Ottawa	25
Lind, Mrs. Mary J., Toronto, Ont.	13
Little, Mrs. Dorothy E. S., Walkerville, Ont.	10
Macdonald, Dr. Albert A., Toronto	1,306
MacKechnie, Hugh A., Vancouver	10
Main, Mrs. M. J., Hamilton, Ont.	5
Martin, Mrs. Lillian E., Port Dover, Ont.	25
McIntosh, J., Petit Rocher, N.B.	5
McLaurin, Mrs. M. B., Toronto, Ont.	20
Milne, Mrs. Ellen C., Victoria, B.C.	110
Morrison, Mrs. Mary, Hampton, B.C.	15
Muntz & Beatty, Messrs., Toronto	10
Norman, Mrs. Enid, Toronto, Ont.	6
Northern Trusts Co., executor and trustee of Estate of Geo. T. Marsh, Winnipeg, Man.	50
Perley, Sir Geo. H., Ottawa, Ont.	100
Playfair & Co., Messrs., Toronto	184
Playfair, Mrs. Helen S., Toronto	20
Raymond, L. Clark, Welland, Ont.	10
Ricker, Dr. Albert Carman, Toronto	5
Robinson, Mrs. Grace, Millerton, N.B.	130
Rogers, Estate of Albert S., Toronto	85
Rogers, Alfred, Toronto, Ont.	1,829
Sayers, Miss H. Elizabeth, Toronto	25
Scott, Estate N. C., Saint John, N.B.	10
Shier, Dr. R. V. B., Toronto, Ont.	20
Shouldice, Dr. E. E., Toronto, Ont.	10
Smith, Dr. A. D., Mitchell, Ont.	40
Smith, Mrs. S. J., Northmount, Ont.	130
Sparling, F., Toronto, Ont.	1,573
Stanway, A. G., Toronto, Ont.	15
Sterling Trusts Corp., in trust, Toronto, Ont.	5
Stewart, Ignatius R., Bobcaygeon, Ont.	15
Tufts, H. A., Wolfville, N.S.	20
Tufts, Dr. H. F., Wolfville, N.S.	20
Tufts, R. W., Wolfville, N.S.	20
Vigeon, Miss Adaline, Toronto, Ont.	12
Vigeon, Miss Ella, Toronto, Ont.	8
Walker, Mrs. Helen M., Vancouver	10
Weld, Mrs. Yvonne, London, Ont.	12
West, Mrs. H. Marjorie, Sackville, N.B.	10
Western, John, Toronto, Ont.	25
Wilson, Dr. W. A., Derby, N.B.	5
Wilson, W. R., Vancouver, B.C.	100
Young, Robert E., Toronto, Ont.	6

Great-West Life Makes Club Awards

Louis White, Toronto, 1 agency has been named president of the $100,000 Club for 1936 by the Great-West Life Assurance Co. Mr. White is the first man to occupy the position of president on two occasions. He was club president in 1927. Max Seitler of Montreal No. 1 agency has been elected vice-president.

Regional vice-presidents are: Western—F. F. Smith, Vancouver; West Central—A. H. Thorndycraft, Winnipeg; Ontario—R. A. Campbell, Toronto 1 agency; Quebec—Adonai Meunier, Montreal No. 1; Maritimes—J. H. Price, New Brunswick; United States Central—B. Fishman, Detroit.

Branch vice-presidents are: Central Ontario—G. P. Battersby; Quebec—S. Machand, Quebec; Minnesota—Z. W. Finberg, Minnesota.

The company reports three of its veterans—R. E. Campbell, J. S. Moreau, and P. Moreau—have this year qualified for their 23rd year of membership in the club.

Barit Named President Hudson Motor Car Co.

A. Edward Barit, president, Hudson Motors of Canada, Ltd. has been appointed president of the Hudson Motor Car Co., Detroit, succeeding the late Roy D. Chapin.

Mr. Barit has been connected with Hudson since the company's inception.

Canada's Credit In Top Position

The preferred position of Canada among trading nations of the world is shown in a special map prepared as a supplement to Commerce Reports, Washington, depicting the credit situation of over 90 nations during January-February, 1936.

Canada ranks in the best position of any country, as far as United States is concerned, in that import credits are shown as "normal"; import collections as "excellent"; and absence of exchange control.

The map shows that between 30 and 35 world countries now have in vogue some system of exchange control. In each case, the date at which this control began is indicated.

United States
Fidelity & Guaranty
Company
TORONTO

Small Boost For Ontario Car Premium

Losses Move Up to $4.2 Millions in 1935

LOSS RATIO 59.62

Total net automobile premiums written in Ontario in 1935 were slightly over $7 millions, a small increase from the figure of the two previous years at about $6.9 millions. Of the total, joint stock companies accounted for more than 90 per cent, the remainder being divided between mutuals and Lloyd's. The latter, for which returns in the province are shown for the first time, wrote premiums of $216,788, being within the first six companies in respect to volume.

Net losses incurred at $4,150,467, were again considerably higher than in the previous year. In 1934, losses were about $4 millions and in 1933 $3.6 millions. As a result of the year's experience, however, loss ratio advanced only fractionally from 59.44 to 59.62.

Experience in the province by companies was as follows:

Automobile Insurance Experience in Ontario, 1935

	Net prems. written	Net losses incurred	Earn. loss ratio
Joint Stock Cos.:	$	$	%
Alliance Assur.	26,840	25,381	84.62
Alliance Insur.	886	4,281	275.07
American Alliance	327	317	105.28
Amer. Auto. Fire	82,532	29,918	35.30
Amer. Home Fire	40,167	24,403	78.74
American Insur.	1,423	176	13.73
Anglo-Scottish Ins.	28,131	16,225	55.75
Atlas Assur.	27,372	19,218	75.11
Brit. Amer. Assur.	66,003	29,404	43.08
British Candn.	13,118	4,985	36.16
British Crown	......	102	....
British Empire	41,676	21,609	49.95
British General	4,719	1,963	42.04
British Law	1,625	353	35.50
British Oak	26,491	21,654	84.28
British Traders	28,726	9,662	35.46
Caledonian Ins.	2,970	1,188	44.52
Camden Fire	2,322	3,003	126.42
Can. Acc. & Fire	52,534	36,551	70.49
Canada Security	26,030	14,585	57.28
Candn. Fire Ins.	59,244	23,481	38.43
Candn. Gen. Ins.	177,667	110,266	64.43
Candn. Indemnity	60,239	33,030	56.14
Candn. Surety	33,075	13,559	39.67
Car & General	5,121	1,507	26.88
Casualty of Canada	44,526	22,324	48.34
Century Ins.	28,413	16,225	55.21
Commercial Union	23,343	18,964	81.17
Consol. Fire & Cas.	85,636	43,059	52.92
Continental Cas.	27,146	28,318	83.73
Cornhill Ins.	44,027	21,212	50.59
County Fire	65	63	101.22
Dom. of Can. Gen.	263,831	138,886	51.21
Dominion Fire	12,473	4,126	39.81
Employers' Liab.	238,446	86,415	34.65
Federal Ins.	28,812	21,145	80.76
Fidelity of Canada	42,556	24,040	58.04
Fire Assoc. of Phil.	247	18	8.08
Fonciere Trans. & Accident	122,961	74,935	75.32
Franklin Fire	336	524	211.01
General Accid.	217,360	174,734	84.33
Gen. Acc., F. & L.	41,935	21,593	58.06
Gen. Cas. of Amer.	36,422	23,317	79.02
Gen. Cas. of Paris	20,172	6,496	30.62
General Exchange	305,338	176,882	61.18
Gen. Ins. of Amer.	13,245	3,047	30.32
Glens Falls	132,076	41,694	36.03
Globe Indemnity	87,302	46,612	50.59
Great Amer. Indem.	8,203	19,893	243.11
Great Amer. Ins.	2,881	2,772	100.83
Guard. Ins. of Can.	46,417	46,349	106.58
Guildhall Ins.	94,051	103,889	101.64
Halifax Fire	84,944	30,131	34.14
Hand-in-Hand	4,753	1,832	33.95
Hartford Accid. & Indemnity	51,612	27,121	55.97
Hartford Fire	6,934	1,261	17.95
Home Insur.	36,886	23,334	62.05
Homestead Fire	31,833	18,314	80.50
Imper'l Guar. & A.	32,065	14,386	43.59
Imperial Ins. Office	7,432	6,848	67.06
Indem. Ins. of N. A.	19,076	23,827	83.27
Insur. Co. of N. A.	5,195	1,459	18.80
Law Union & Rock	45,831	23,847	39.81
Legal & General	9,728	30,212	90.71
Liverp'l & L. & G.	53,471	24,230	44.17
Liverpool-Man.	9,320	4,867	49.81
London Assur.	6,682	1,469	22.29
London-Canada	9,274	6,153	56.71
London & County	145	......	....
London Guar. & A.	87,882	43,124	44.52
London & Lanc. Guar. & Acc.	70,383	41,502	56.99
London & Lanc.	29,824	31,619	106.92
London Prov. Marine & Gen.	5,785	861	12.58
London & Scottish	4,068	—241	....
Marine Insur.	899	580	59.53
Maryland Cas.	12,663	5,468	38.40
Merchants Cas.	115,389	40,090	35.87
Merchants Fire	7,572	1,415	19.50
Merchants Marine	430	—96	....
Mercury	634	23	3.51
Metro. Cas. of N.Y.	75,784	56,314	90.57
Motor Union Insur.	14,963	13,134	75.78
Nat'l-Ben Franklin	1,391	1,192	[illegible]
Nat'l Liberty	158	......	....
Nat'l Union Fire	1,318	438	27.13
Newark Fire	6,972	3,121	42.27
New Hampshire F.	1,586	1,100	67.32
N. Y. Underwriters	33	......	....
Nor. Brit. & Merc.	41,752	22,148	52.68
Northern Assur.	46,380	15,415	34.35
Northwest Cas.	17,335	7,881	50.11
Nor'western Nat'l.	3,499	3,001	98.82
Norwich Union F.	125,435	83,515	62.76
Occidental Fire	3,233	—1,635	....
Ocean Acc. & Guar.	131,974	51,850	36.59
Pacific Coast Fire	27,850	16,225	56.07
Palatine Insur.	4,560	3,795	74.83
Patriotic Assur.	6	2	1.01
Pearl Assur.	25,514	10,894	45.72
Phoenix Assur.	27,541	10,536	40.53
Pilot	561,309	387,860	71.00
Providence-Wash.	1,863	—290	....
Provident Assur.	161,226	206,187	119.17
Provincial Insur.	43,966	23,148	53.86
Prudential Assur.	60,738	41,301	76.52
Queen	8,383	3,745	42.10
Railway Pass.	24,964	13,538	49.89
Rhode Island	106	......	....
Royal Exchange	29,941	13,761	43.62
Royal Insur.	108,096	56,953	49.87
St. Paul F. & Mar.	38,043	18,797	44.76
St. Paul Mercury Indem.	2,819	—94	....
Scottish Metropol.	17,639	6,767	36.47
Scottish U. & Nat'l	16,133	9,501	64.10
Secur. Ins. of N. H.	1,970	1,172	69.20
Southern	9,377	5,408	55.75
Sun Insur. Office	29,092	17,461	59.58
Toronto General	157,211	73,771	45.96
Travelers Fire	16,380	3,988	22.95
Travelers Indem.	106,693	32,770	28.95
Union Assur.	16,762	4,739	28.47
Union F., Acc. & G.	102,432	71,218	85.56
Union of Canton	73,985	37,730	49.10
Union Mar. & Gen.	12,943	2,709	22.48
United British	18,031	17,997	100.68
U. S. Fid. & Guar.	28,657	31,245	91.17
U. S. Guarantee	5,003	1,119	23.53
Wellington Fire	126,359	65,356	53.22
Western Assur.	137,091	66,577	48.21
World Mar. & Gen.	15,766	7,413	47.42
Yorkshire Insur.	38,345	25,800	66.76
Zurich Gen. Acc. & Liab.	92,528	75,231	82.68
Mutuals:			
Central Manufac.	26,507	4,847	16.92
Hardware Dealers	1,655	177	10.30
Hardware Mutual	1,655	177	10.30
Lumbermen's Mut. Casualty	145,537	55,496	37.07
Lumbermen's Mut. Insurance	69	......	....
Minnesota Imple.	1,655	177	10.30
Northwestern Mut.	25,436	7,049	30.46
Portage la Prairie	—5,777	37,615	142.23
Wawanesa	131,116	85,192	72.21
Other:			
Lloyds	216,787	91,635	67.27

British Insurers Set Up Committee

Will Exchange Information on Matters of Common Interest

The manager of the Dominion Board of Insurance Underwriters has been officially informed of the formation in London of a committee of British offices doing direct business in Canada, to be known as the London Canadian Insurance Committee.

The purpose of the new committee is to exchange information on matters of common interest, and it will operate entirely independently of the Fire Offices Committee and the Accident Offices Association. It is not proposed that the new committee shall exercise any direct control over Canadian business which will continue to be under the sole direction of the Dominion Board of Insurance Underwriters and those territorial organizations associated with it.

Alberta Loses $4 Millions On Telephone Lines' Sale

Details of losses of Alberta's publicly-owned telephone system are revealed by information tabled in the legislature.

For the year ended March 31, 1935, the system had a deficit of $343,709, bringing the accumulated loss to $1.6 million.

During the year reviewed, rural lines with a book value of $2,904,140 were disposed of for $145,456, of which approximately $45,000 had been collected at the close of the fiscal year. Sales to mutual companies have now been made of properties that were carried on the books at $4,633,000 and that brought $198,000. This represents a loss to the province of $4,435,000.

Despite a previous statement by Premier Aberhart that the Alberta telephone system is not for sale, Hon. W. A. Fallow, minister of public works and telephones told the legislature the government proposes to sell all rural lines. When this is carried to completion the capital loss will be much larger than at present.

Howley Vice-Chairman of Newfoundland Governors

Hon. W. R. Howley, K.C., commissioner for justice and attorney-general of Newfoundland, has been elected vice-chairman of the Commission of Government, succeeding the late F. C. Alderdice.

Responsibility for the administration of the department of home affairs and education has temporarily been assigned the commissioner for public health and welfare. Another shift in the administration places responsibility for the Newfoundland Hotel, formerly with the commissioner for public utilities, with the commissioner for finance.

"Buy New Brunswick" Theme of New Campaign

From Our Own Correspondent

MONTREAL. — With a view to stimulating activities in New Brunswick enterprises by special buying and purchasing of New Brunswick products, an advertising campaign has been instituted in provincial papers with the object of promoting the sale of New Brunswick products.

The campaign will continue for several months. The sponsors are a group of Saint John citizens.

Weir Refuses To Back Down On Health Act

B. C. Minister Determined to Bring Down Law

PARTY IN ARGUMENT

From Our Own Correspondent

VANCOUVER. — Despite the united opposition of business, industrial and medical interests and many others who believe that the cost of social service legislation in British Columbia is already intolerable, the provincial government seems determined to put through its health insurance bill.

There have been repeated arguments in the caucus of the Pattullo party, but Hon. George M. Weir, minister of health and chief sponsor of health insurance, insists that the measure was a part of the Liberal mandate in the last election and that the government must go through with it.

Opponents Hopeful

Opponents of the health bill, however, believe they may be able to amend the measure so as to provide for a plebiscite on the issue to determine when the system shall be enforced. This, at present, appears to be the only hope of the obstructionists, and if an effective campaign of public education can be carried out they believe that British Columbia will be able indefinitely to suspend enforcement.

The government hopes to raise about $2,600,000 by taxation for administration of the health programme. The tax will be contributed by 125,000 employees and their employers. The present bill provides insurance only for those receiving up to $1,800 a year in wages or salary, and only persons within this category and their employers will be required to pay the levy. The employee is to pay two per cent and the employer one per cent.

The issue is such a contentious one and so many proposals and counter-proposals are likely to be dealt with during the present session of the house that the scheme is likely to be altered considerably in detail, but unless present indications are misleading the legislature will pass a health insurance programme of some kind, notwithstanding the relentless barrage of criticism.

Municipal Ownership Leaves Vancouver Cold

From Our Own Correspondent

VANCOUVER. — Various proposals that the city enter into municipal ownership and operation of public utilities are not making much headway, although sponsors of individual enterprises, most of them somewhat vague as to details, have not been lacking.

LUMBERMENS SHOWS GAINS FOR 23RD CONSECUTIVE YEAR

Premium Income, in 1935, increased from $18,307,575 to $20,343,475; Assets from $19,545,750 to $22,611,299; Net Surplus from $2,534,504 to $3,082,433. Dividends paid to policyholders rose to $2,950,721.

SERVICE SAVING SECURITY

LUMBERMENS MUTUAL CASUALTY COMPANY
1201 Concourse Building Toronto, Ontario
Phone: EL. 7207

FIRE, AUTOMOBILE AND CASUALTY INSURANCE

PEARL
Incorporated in England 1864
ASSURANCE COMPANY LIMITED
OF LONDON, ENGLAND

An Old and Firmly Established British Company

Head Office for Canada
METROPOLITAN BUILDING - TORONTO
Lawson T. Hargreaves - Manager for Canada

THE EUREKA-SECURITY FIRE AND MARINE INSURANCE COMPANY
OWNED & OPERATED BY THE PEARL

SECURITY
—for yourself
—for your family
1865

A SUN LIFE PENSION BOND with ASSURANCE gives you both, safeguarding your loved ones during your earning years and guaranteeing an unfailing income when you reach retiring age.

Ask your nearest Sun Life representative for the leaflet "How to win both ways".

1936

SUN LIFE ASSURANCE COMPANY OF CANADA
Head Office Montreal

The Independent Order of Foresters
Monthly Income During Disability

Certificate Plan B: Issued by the Society affords outstanding protection. It provides an Old Age Benefit, payable in one sum, for the full amount of the Certificate, on the 60th birthday, or, payment in the event of death.

In addition, the Certificate provides a generous Disability Benefit of Ten Dollars a month, for each $1000 of Protection carried. Payments of such benefit are not a charge against the Certificate when it becomes a claim, either as a result of death or old age.

The Certificate contains the usual automatic non-forfeiture privileges. Double Indemnity may be secured for the payment of a nominal sum.

FRANK E. HAND, Supreme Chief Ranger.
HEAD OFFICE, TEMPLE BUILDING, TORONTO, CAN.

"Canada's Largest Fire Mutual"
The WAWANESA MUTUAL INSURANCE CO.
Ranks 3rd against all companies on total volume of fire business written in Canada
FIRE LIABILITY · WINDSTORM · DOCTORS' AND DENTISTS' LIABILITY · SPRINKLER LEAKAGE · AUTOMOBILE PLATE GLASS
Head Office—WAWANESA, Man.
Eastern Office—341 CHURCH ST., TORONTO, Ont.
Branches also at Vancouver, B.C.; Edmonton, Alta.; Regina, Sask.; Winnipeg, Man.; Montreal, P.Q., and Saint John, N.B.

ACCURATE CREDIT INFORMATION
is the primary step in modern sales research. Get the facts at the source.
Dun & Bradstreet files reveal the current financial standing of business men everywhere.
Dun & Bradstreet of Canada, Limited
A Nation-Wide Service

"LONG DISTANCE COSTS were trifling!" says this jobber - - - -
THE BELL TELEPHONE COMPANY OF CANADA

One enterprising jobber, a dealer in novelties, saved himself a great deal of time and travelling expense on a recent sales trip.

He availed himself of a list of numbers of out-of-town customers prepared for him by the telephone company, called these customers from a few "key" cities, and sold them without the necessity of a personal visit. By means of these calls, too, he was able to get a number of these out-of-town clients to come into these key cities to see his display of goods.

"And," he says, "the business I did made the toll charges involved seem trifling."

Build Business with LONG DISTANCE

Relief Work Blank Cheque to Disappear

New Employment Commission to Have Hand in Distribution

WILL BE ADVISERS

From Our Own Correspondent

OTTAWA.—After many changes, the final draft of the Employment Commission, when introduced in the Commons by Hon. Norman Rogers, minister of labor, will disclose an advisory rather than an administrative body.

The commission will comprise a permanent secretariat and members as well as honorary members; it will be representative of all classes of the community.

To Change System

In addition to this commission, the chief change in the government's approach to the problem of unemployment will be to abolish the blank cheque in favor of definite appropriations for each relief policy. The spending of these moneys will be the responsibility of the Labor Department, with the commission advising where modifications would be beneficial.

It is hoped that as the commission grows in knowledge of the problem, it will be able to take a larger share of administrative responsibility. In 1937, it is hoped, the commission may become the spending authority, relieving, to a large extent, the department from the arduous duties involved.

Camps Prove Costly

Plans for the absorption of single unemployed men in relief camps have been completed and will be applied gradually from April 1 on. The cost of these camps in the fiscal year just ending was $9,000,000, which works out at $50 per month per man. The proposed policies will take care of about 20,000 men now in the camps and will net the treasury a substantial saving.

Ten thousand of them will go to the railways to be used in maintenance of way work. The government will contribute about $15 per man and the railways will put up at least as much.

Those with farm experience, will be absorbed in the farm placement policy under which $5 or $10 per month per man will be paid them for working on farms. The farmer also will get a small sum, possibly $5 per month.

An apprenticeship policy is also being worked out whereby industries will be invited to employ men suitable for their purposes, with the state contributing $15 per month to the cost.

Will Ignore Labor

Labor organizations are complaining about the railway scheme but this, it is learned, will not deflect the ministry from carrying it into effect.

Finally, several of the camps will be retained and the men will be paid $15 per month instead of $5. The camps concerned are located on projects which the government deems to be necessary—chiefly roads and airway fields. Further camps will probably be started, as there is said to be a considerable amount of highly useful work to be done on roads of economic importance.

Not Keen on Highway

The Trans-Canada highway has lost much of its appeal, so far as Ottawa is concerned, but it is believed short highways into mining fields would be of advantage to the mining industry. In these areas transportation is either by water or by airplane and an all-weather highway would enable economies to be effected. The highway projects now being considered are all in northern Ontario and Quebec.

The census of the camp population is proceeding. Every effort will be made to transfer the men to their own provinces and to locate them as close to home as possible.

$5 Charge Made Market Data

A brokerage firm holding membership on one of the large exchanges, and with a large mailing list, has inaugurated a new scheme by which it hopes to glorify the much-abused market letter and at the same timae make it yield a financial return.

In contrast to the flood of literature from other brokers, the daily letter of this firm recently enclosed a circular which said

"Kindly enclose cheque for five dollars. We cannot debit your account for this service."

It is the first instance on record, so far as brokers know, where a financial house other than a statistical service has attempted to make a charge for market opinion.

The firm takes the attitude that it wants to eliminate the "dead wood" from its mailing list and that it thinks the new method is the most effective way of accomplishing that object.

N. S. Deficit Is $897,715

Loss Cut More Than Half in Last Two Years

Nova Scotia's deficit for the 14 months ended Nov. 30, 1935, was $897,715, including payment of sinking funds. Following the practice of recent years, however, direct unemployment relief is not all included in the deficit. The estimates for 1935 had provided for a deficit of $1,040,232.

The deficit compares with one of $1,292,332 in the 12 months ended Sept. 30, 1934. The additional two months covered by the public accounts for 1935 is due to a change in the province's fiscal year.

Premier's Comment

In tabling the public accounts in the legislature, Premier Angus L. Macdonald stated: "In two years we have succeeded in cutting the deficit more than in two, which in all circumstances is, I think, a very creditable showing."

Mr. Macdonald expressed determination to work toward a balanced budget and cessation of borrowing. Comparative budgets follow:

Nova Scotia Budget Experience

Year	Revenue $	Expenditure $	Deficit $
1935*	10,640,000	11,538,000	898,000
1934	8,015,000	9,307,000	1,292,000
1933	7,227,000	8,442,000	1,215,000
1932	8,101,000	7,858,000	†243,000
1931	8,105,000	8,195,000	90,000
1930	7,682,000	7,901,000	219,000
1929	7,390,000	7,288,000	†102,000

* 14 months ended Nov. 30; other years ended Sept. 30. †Surplus.

Reported Surplus Not True of B. C.

Province Has Deficit of Over $6 Millions in 1935

From Our Own Correspondent

VANCOUVER. — Although Hon. John Hart, provincial minister of finance, managed to reach into his budget hat this year and produce a current surplus of $1,164,175 this hardly gives a true picture of British Columbia's financial condition. Actually, the province slipped back another $6,648,154 during the last fiscal year ended March 31, 1935.

The current surplus was more than offset by $5,469,133 borrowed from the federal government for unemployment relief, and by failure to provide sinking funds which would have taken a total of $2,343,196. However there was some consolation for Mr. Hart as the year before, for instance, there was a current deficit of $374,000. He was able to make a better showing because of the general pick-up in revenues—a pick-up amounting to approximately $2.5 millions. Current expenditure increased, too, though, to the extent of $1,015,000.

Toronto Manager

H. F. SKEY

Who has been appointed manager of the main Toronto branch of the Bank of Montreal. Mr. Skey was formerly manager of the King and Yonge Streets, Toronto, branch.

Postal Savings Bank Deposits $22.5 Millions

The Post Office Savings Bank reports deposits of $22,547,006 as at March 31, 1935, a decrease of $611,913 from the previous year. During the year ended on that date, 4,894 new accounts were opened and 5,101 discontinued, leaving the total at the financial year end at 78,821. The average to the credit of each depositor was thus $286.05.

Interest paid to depositors in the period amounted to $15,343 and that accrued and made principal was $495,249, making a total of $510,592. Repayments to depositors, numbering 51,692, amounted to $3,346,412.

The number of offices authorized to transact business declined from 1,299 to 1,272.

Savings Office Earns $45,235

Cost of Money is 3.11 Per Cent — 45,000 Depositors

Operations of the Province of Ontario Savings Office in the nine months ended Dec. 31, 1935, resulted in a profit of $45,235 after all charges. Such was the statement of Premier M. F. Hepburn in his budget address. Additional information will be forthcoming shortly when the printed address is available.

During the nine-month period, there was a substantial rise of 6,607 in the number of accounts. The total is believed to stand somewhere about 45,000, with the main Toronto branch at Bay and Adelaide Sts. accounting for a third of the whole. Deposits advanced from $22.3 millions to $32.1 millions at the year end.

Cost of the Savings Office money has been slightly increased since the new branches were opened in the last half of 1935. It is still exceptionally low, however, being calculated at 3.11 per cent. This represents overhead and administrative cost of only 0.61 per cent as 2½ per cent interest is paid on deposits.

Bankers, who estimate their own costs at about 4½ per cent, are inclined to be somewhat sceptical of this figure, pointing out that a different method of calculation from what they employ may be used.

The following is the average cost of deposits as given out by the government since 1923:

Year	%	Year	%
1922	8.41	1930	3.82
1923	4.64	1931	3.83
1924	4.38	1932	3.75
1925	3.60	1933	3.64
1926	3.73	1934	3.42
1927	3.87	1935*	2.87
1928	3.89	1935†	3.11
1929	3.87		

*Five months ended Mar. 31.
†Nine months ended Dec. 31.

Claims Interest Charge Is Greater in Leap Year

A subscriber of The Financial Post feels that he has a legitimate kick in respect to the way banks compute interest in leap year. He claims that he is charged an extra day's interest. Apparently an actual instance of a loan amounting to $133,590, at a rate of six per cent, is cited.

As banks figure interest from a table which is based on a 365-day year, he would have paid in January, 1935, on the basis of 31/365ths of a year—or an amount of $680.76. In February last year, interest was calculated at 28/365ths of a year, or $614.88. And so on, throughout the year.

This year being leap year, it is claimed that interest in all months except February is calculated in the same manner as in 1935. In February, an additional day's "rent" is charged. Six per cent interest for 29/365ths of a year amounts to $636.84, about $22 higher than in February, 1935.

What should be done, it is contended, is to base interest calculations in leap year on a 366-day year. In this way, January's interest would amount to $678.90, being computed on 31/366ths of a year. For February, 29/366ths of a year exacts $635.10. And similar calculations would be worked out for the other months.

If this suggestion were followed, total interest for the year would amount to $8,015.40. Under the method which the subscriber claims is practised in his city, the total would be $8,037.36. The difference of $21.96 is, of course, interest on the capital amount for one day.

Bank of Canada Weekly Statement

The bank of Canada statement for the week ended Mar. 11 shows no important change from that for the previous week.

Balance Sheet

Liabilities	Mar. 11 $	Mar. 4 $
Capital paid-up	5,000,000	5,000,000
Notes in circ.	85,479,333	85,108,723
Rest fund	173,092	173,092
Dep.: Dominion	24,628,335	21,282,454
Banks	183,635,603	186,452,356
Other	1,630,929	1,788,025
Total deposits	209,894,867	209,522,834
All other liabs.	1,006,610	1,336,462
Total liabs.	301,553,902	301,141,111
Assets		
Reserve: Gold	180,309,470	180,410,313
Silver bullion	1,528,640	1,511,959
Res. in sterling	806,264	106,980
Res. in U. S.	8,601,573	7,314,751
Res. elsewhere	8,858	7,129
Total reserve	191,254,805	189,351,132
Subsidiary coin	273,221	261,527
Investments:		
Dom. govt. short.	26,124,968	26,124,963
Other Dom. govt.	82,385,161	82,502,992
Total invest.	108,510,129	108,627,960
Premises	119,171	116,794
All other assets	1,396,576	2,783,698
Total assets	301,553,902	301,141,111
Reserve ratio	64.75%	64.26%

Weekly Bank Clearings

	Mar. 12 1936 $	Change year ago %	Mar. 5 1936 $
Halifax	2,049,659	+ 14.5	2,255,526
Saint John	1,568,550	+ 16.5	1,828,776
Moncton	559,844	+ 7.6	699,430
Sherbrooke	466,232	— 14.0	611,776
Quebec	3,788,007	+ 9.6	5,057,441
Montreal	94,637,826	+ 22.5	116,414,501
Ottawa	15,826,445	— 14.7	19,981,789
Kingston	503,126	+ 26.3	571,293
Peterborough	580,151	+ 20.2	693,440
Toronto	109,852,586	+ 18.5	135,124,571
Hamilton	4,052,929	+ 22.9	5,532,813
Kitchener	870,769	+ 20.2	1,178,744
Brantford	766,425	+ 8.6	775,302
London	2,443,378	+ 14.3	3,156,102
Chatham	456,123	+ 21.9	532,612
Windsor	2,563,829	+ 27.5	2,715,044
Sarnia	403,532	+ 25.0	421,205
Sudbury	800,939	+ 19.8	566,945
Fort William	475,019	+ 14.6	593,745
Winnipeg	42,967,698	+ 54.6	39,323,566
Brandon	243,453	+ 11.7	281,626
Regina	2,592,694	+ 12.0	2,935,271
Moose Jaw	450,732	+ 30.0	514,512
Saskatoon	1,144,397	+ 19.9	1,266,492
P. Albert	282,440	+ 26.4	305,085
Edmonton	3,425,500	+ 10.0	3,770,119
Calgary	5,061,990	+ 14.6	5,324,985
M'cine Hat	108,667	— 26.5	203,933
Lethbridge	394,025	+ 9.1	385,985
N. W'minster	502,485	— 0.2	671,165
Vancouver	15,629,868	+ 11.3	17,453,824
Victoria	1,614,485	+ 13.8	1,942,898

Staff Changes

The Canadian Bank of Commerce has made the following changes in staff:

O. F. ANDERSON, formerly manager at Smiths Falls, to be manager at Orangeville.

B. J. McLEAN, formerly manager at Bloor & Lippincott, Toronto, to be manager at Smiths Falls.

J. R. HIGGINS, to be manager at Ottawa & Gladstone, Windsor. This branch is a merger of the Ottawa St., Walkerville office and that at Parent & Ottawa Sts., Windsor.

The Dominion Bank has announced the following staff changes:

W. O. ARCHDEKIN, formerly manager at Dundas & Runnymede, Toronto, has been transferred to an official position at head office.

A. RITCHIE, to be manager at Dundas & Runnymede, Toronto.

The Bank of Nova Scotia has made the following appointment:

C. A. KELLY, to be manager at Somerset & Bronson, Ottawa.

The Bank of Montreal has made the following changes in staff:

R. J. WILLIAMS, formerly manager at main office, Toronto, to be manager at head office branch, Montreal.

T. E. MERRETT, formerly manager at head office, Montreal, is retiring from active service.

H. F. SKEY, formerly manager at King & Yonge, Toronto, to be manager at main office, Toronto.

G. F. PEARSON, formerly assistant superintendent in Ontario, to be manager at King & Yonge, Toronto.

H. BROOKS, formerly superintendent of Montreal branches, to be assistant superintendent for Ontario.

H. P. McCABE, formerly accountant at Victoria, to be assistant manager at Victoria.

J. R. KIRKPATRICK, formerly manager at Sherbrooke, to be manager at Kitchener.

W. O. NICOL, formerly manager at Bleury & St. Catherine, Montreal, to be manager at Sherbrooke.

A. E. HICKEY, formerly manager at McGill & St. Paul, Montreal, to be manager at Bleury & St. Catherine, Montreal.

W. STEWART, formerly manager at Yarmouth, to be manager at McGill & St. Paul, Montreal.

Banque Canadienne Nationale has announced the following promotions:

F. M. MARCOTTE, manager at Three Rivers, to be manager at main office, Montreal.

J. E. PARENT, formerly assistant manager at Three Rivers, to be manager at that branch.

The Royal Bank has made staff changes as follows:

W. G. DULMAGE, formerly manager at Arthur, to be manager at Grimsby, Ont.

L. H. LEACH, formerly manager at Grimsby, to be manager at Brockville, Ont.

J. F. STEWART, formerly manager at Brockville, to be manager at Queen and Broadview, Toronto.

F. B. STEEVES, formerly accountant at Vancouver, to be accountant at Cambie & Broadway, Nanaimo, B.C.

W. A. RENNISON, formerly accountant at Nanaimo, to be accountant at New Westminster, B.C.

W. H. SHARPE, formerly accountant at New Westminster, to be accountant at East End, Vancouver.

G. H. BAINES, formerly manager at Queen & Broadview, Toronto, retires on pension.

Municipal Finances

Calgary, Alta., reports marked improvement in tax prepayments. Up to March 5, total payments on account of 1936 taxes amounted to $909,907, an increase of $67,421 over the same period of 1935. This figure is only $118,000 short of the total collected in 1935.

* * *

Fredericton, N.B. reports an operating deficit of $4,574 for 1935. Total revenue in 1935 amounted to $321,000, an increase of $8,000 over 1934. Funded debt increased by $19,000 to $690,000, $40,000 of additional bonds having been issued and $21,000 having been retired.

* * *

Vancouver may be forced to restore its tax rate to the 1934 level. In 1935, the rate was reduced from 39.66 mills to 37.886 mills. With estimated expenditures for 1936 amounted to $14,852,653 as against estimated revenue of $12,938,029 on the basis of the 1935 tax rate, it is expected the city council will find it necessary to boost the rate.

* * *

Verdun, P.Q., as a result of drastic economy, had a surplus of $18,654 in 1935, compared with deficits in the years 1930 to 1934 inclusive. Total revenue for the year was $1,727,000, an increase of $61,000 over the previous year. Net debenture debt stands at $7,989,083.

* * *

Oshawa, Ont., in its 1936 budget, estimated revenue for the year will be $1,289,953, a reduction of $115,337 from the amount collected in 1935. Taxes, grants and sundry revenue are all estimated at lower figures than in 1935.

* * *

Truro, N.S., has set its 1936 tax rate at $3.55 per $100 of assessment. After providing for a bank overdraft of $30,127 from 1935 the town has budgetted for deficit of $15,804 in 1936. Expenditures are estimated at $257,048

* * *

Preston, Ont., has reduced its debenture debt by $71,000 in the past two years. As at Dec. 31, 1935, debenture debt stood at $548,236, a reduction of $31,037 from the previous year. Current tax collections in 1935 amounted to $157,802 or 78.8 per cent of the levy.

* * *

Red Deer, Alta., improved its already strong position in 1935, reducing its net debt to $43,832. This figure is after deduction of cash on hand and of debentures issued for construction of the city's electric light plant, which is self-sustaining. Electric light debentures total $58,447. After deducting depreciation, operating expenses, sinking fund and interest payments, the electric light department had a profit of $8,988 in 1935. Tax collections amounted to 85 per cent of the levy, compared with 81 per cent in 1934.

* * *

Summerside, P.E.I., had a surplus of $178 in 1935, compared with a deficit of $2,234 in 1934. During the year the town wiped out a bank overdraft of $12,843 and at Dec. 31 last had a net cash balance of $4,664. Net debenture debt, however, increased by $11,500 to $274,000.

* * *

Kitchener, Ont., reports a surplus of $4,869 for 1935. Percentage of current taxes collected declined from 86.98 per cent in 1934 to 86.01 per cent in 1935. Tax arrears were reduced by $16,315 to $406,256 at the end of 1935. A reserve of $109,656 has been provided against this item. Debenture debt increased from $3,949,800 to $3,981,681. Current bank loans were reduced from $706,317 in 1934 to $480,600 at the end of 1935.

* * *

Winnipeg reduced the loss on its hydro-electric system in 1935. Deficit for the year amounted to $219,421, compared with $301,910 in the previous year. Compared with 1934, revenue showed an increase of $72,000 and expenditures a reduction of $10,000. Total revenue of the system was $3,406,818 as against $3,716,239 in expenditures.

* * *

Vancouver forecasts a drop of $349,372 in city's share of relief costs in 1936. Estimated expenditure on relief is $817,465 as against $1,166,837 spent in 1935. The reduction is mainly attributable to assumption by the provincial government, with the aid of larger federal donations, of 80 per cent of the cost instead of 60 per cent, the rate which was in effect for 11 months of 1935.

* * *

Ottawa has protested the reduction in its relief allotment from the Ontario government in 1936. While Finance Commissioner G. P. Gordon has estimated that the cost of relief food and clothing in 1936 will be $105,034 higher than in 1935, the amount forthcoming from the provincial government will be $100,000 less. The Ontario Municipal Board has authorized the city to issue $610,000 of debentures to cover the 1935 relief overdraft.

* * *

Stratford, Ont., has set the 1936 tax rate for public school supporters at 45.3 mills and for separate school supporters at 46.7 mills. The 1936 rate for public school supporters is 6.3 mills higher and for separate school supporters 6.5 mills higher. The rate was increased in order to balance the city's budget.

* * *

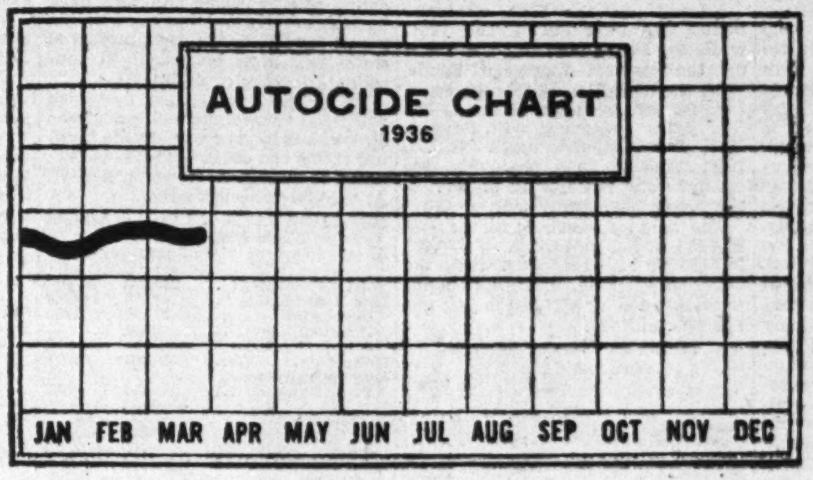
Portage la Prairie, Man., has set the 1936 tax rate on all property, other than farm lands, at 43 mills. The rate on farm lands is to be 20 mills and the business tax will be 12½ per cent on rental value.

* * *

Hamilton, Ont., has been notified that the Ontario Municipal Board will not permit funding of the city's 1936 relief costs. Despite this decision the city does not contemplate increasing the tax rate which has been struck at 30.25 mills.

* * *

Halifax County, N.S., reports a small deficit of $809 in 1935. Revenues amounted to $154,615 and expenditures to $155,424. Net current assets at the end of the year amounted to $64,721. During the year the county improved its financial position, tax collections increasing from 74 per cent of the levy in 1934 to 77 per cent.



SAFETY
CANADIAN GENERAL INSURANCE COMPANY
TORONTO GENERAL INSURANCE COMPANY

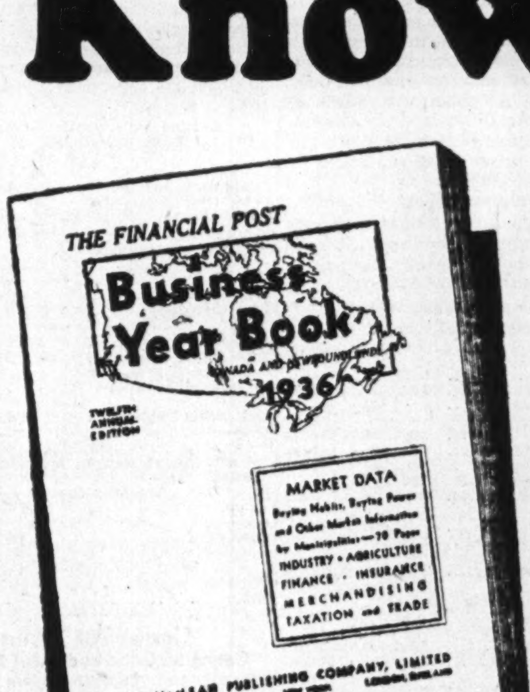
UP or DOWN?

The Next Nine Months

will determine whether organized effort everywhere and millions of humanitarian dollars spent in the cause of safe driving have borne fruit . . . whether the broad black band across the grim autocide chart will have swung downward from the high toll of past and present experience.

Care, Courtesy and Common Sense are still the most vital factors in Safe Driving, and Accident Statistics prove that — THE GREATEST OF THESE IS COURTESY.

CANADIAN GENERAL INSURANCE COMPANY
TORONTO GENERAL INSURANCE COMPANY
SAINT JOHN TORONTO REGINA VANCOUVER
MONTREAL WINNIPEG EDMONTON



Knowledge!

HERE is an exhaustive compilation of more than 60,000 up-to-the-minute facts about industry, agriculture, finance, insurance, taxation, trade and other aspects of the economic life of Canada and Newfoundland.

No other publication begins to give you such a wealth of factual, timely and useful information as does

THE FINANCIAL POST
BUSINESS YEAR BOOK
1936

Just off the press!

●

NEW MARKET DATA

Special 70-page section contains detailed analysis of the buying power, standards of living, sales outlets and a score of other vital factors of the Canadian market BY COMMUNITIES! Every business and sales executive will realize at once the exceptional value of this data — never before available!

Order the one or more copies you need TODAY and avoid disappointment. Use the coupon.

184 pages, with maps, charts and elaborate ready-reference index $2 per copy

OTHER SPECIAL FEATURES

A summary of the Canada-United States trade agreement.

●

Movement of capital payments in Canada during 1935.

●

An authoritative estimate of national income in Canada during 1935.

●

A special review of corporation taxation in Canada and Newfoundland.

●

A survey of merchandising in Canada.

●

An exclusive compilation of new branch plants established in Canada in 1935.

THE FINANCIAL POST,
481 University Avenue,
Toronto, Canada.

☐ Send me postpaid..........copies of The Financial Post BUSINESS YEAR BOOK, 1936.
Enclosed is $..........in payment.

☐ Quote me special prices on bulk order of..........copies.

Name ....
Address ....

653

Company Earnings Reports

St. Lawrence Paper

In line with expectations, the financial statement of St. Lawrence Paper Mills for 1935 shows that the company nearly broke even on the year's operations, deficit amounting to $30,964 as against $366,981 in the previous year.

Newsprint sales for the year totalled 108,348 tons compared with 102,492 tons in 1934. The position of the company with respect to sales contracts for newsprint paper is still far from satisfactory, the report states. There was a decided improvement, however, in the latter part of 1935 and prospects for this year are regarded more favorably.

A feature of the statement is the announcement that the directors will recommend to shareholders at a special general meeting that certain capital assets of the company be written down to present day values and a corresponding reduction made in capital account represented by the company's outstanding common shares. It is pointed out that neither the number of outstanding shares or the actual value of these shares will be affected by the proposed action and the assets of the company will remain exactly as they are.

The report also points out that negotiations are in progress with respect to the amount due to Shawinigan Water and Power Co. ($700,533) and Brompton Pulp and Paper Co. ($271,541) and the directors expect a satisfactory extension of payment will be arranged.

Income and Surplus Account
Years Ended Dec. 31

	1935	1934
	$	$
Gross operating profit	3,138	......
Investment income ...	480	......
Gross revenue	3,618	......
Less: Legal fees	13,000	......
Executive salaries .	18,962	......
Net revenue	*28,344	363,861
Less: Directors' fees .	2,620	3,120
Deficit for year	30,964	366,981
Previous deficit	†2,758,084	2,314,945
Deficit forward	2,789,048	2,681,927

*After adjustments.

Working Capital

	1935	1934
	$	$
Current assets	1,887,730	1,823,129
Current liabilities	2,164,334	1,100,439
Working capital	†276,604	722,690

†Excess of current liabilities.

Brompton

Brompton Pulp and Paper Co. for 1935 shows earnings maintained on the same basis as in 1934.

During the year the Claremont Paper Co., a subsidiary, disposed at a loss of $135,819 of its Bellows Falls plant which had become obsolete and had not been in operation for some years. The exchanges of timberlands with the Quebec Government, as outlined in previous annual reports, have been completed.

Bonds and mortgages of McCrea Wilson Lumber Co. to the amount of $149,400 were retired during 1935 and the balance of $246,000 remains outstanding.

As in the case of the associated company St. Lawrence Paper Mills, directors of Brompton are recommending to the shareholders certain adjustments be made in capital valuation, the net effect of which is to bring about a general readjustment of values which has taken place during recent years. This adjustment will not change the real equity back of the common stock.

Income and Surplus Account
Years Ended Dec. 31

	1935	1934
	$	$
Gross operating profit	310,579	......
Less: Legal fees	2,500	......
Executive salaries ..	29,100	......
Net revenue	288,979	221,602
Less: Directors' fees ..	1,635	6,900
Depletion	65,259	......
Claremont deprec. ..	84,651	57,833
Brompton deprec. .	196,733	117,800
Bond interest	19,361	24,731
Deficit for year	88,660	*14,288
Previous deficit	787,943	803,491
Add: Loss on bonds redeemed	2,125	*1,260
Loss on sale of assets	135,819	......
Deficit forward	1,014,547	787,943

*Profit.

Working Capital

	1935	1934
	$	$
Current assets	2,017,272	2,056,635
Current liabilities	461,294	537,663
Working capital	1,555,978	1,518,972

Regent Knitting

Regent Knitting Mills' financial statement for 1935 shows a moderate improvement in both gross and net income.

The balance sheet shows an expansion in cash and inventory, with a slight reduction in receivables. Among current liabilities, bank loan has been reduced from $177,500 to $157,500. Funded debt is $10,000 lower at $362,500.

In the report of the president, mention is made of a proposal to reduce the value of fixed assets in recognition of a decrease in value attendant on changing styles in recent years, which plan, since it would involve elimination of the deficit, strengthen the balance sheet position and reduce annual depreciation provisions, would pave the way to possible dividends.

Income and Surplus Account
Years Ended Dec. 31

	1935	1934
	$	$
Gross income	206,680	194,035
Less: Interest	43,322	42,667
Depreciation	137,709	100,000
Bad debt res.	12,220	9,929
Misc. expense	1,717	1,814
Reorgan. expense .	......	9,816
Extension expense .	1,248	956
Net income	10,462	28,851
Less: Tax provision ..	1,989	4,306
Loss w/o	7,032	4,306
Cap. profit	153	3,804
Deficit for year	10,530	11,007

Working Capital

	1935	1934
	$	$
Current assets	972,516	888,978
Current liabilities	325,854	329,559
Working capital	646,682	559,419

Dominion Electric

Dominion Electric Power's gross income for 1935, according to preliminary estimate, amounted to $375,802. After the payment of operating expenses, maintenance and local taxes, net earnings available for interest and depreciation were $161,074. During the previous year, the company's gross income totalled $361,150; operating expenses and taxes $203,715, and net operating income $157,434.

The showing made by the company last year is the best reported since 1932. Depreciation reserve for last year is placed at $38,000, leaving $123,321 to take care [illegible] interest charges.

B. C. Pulp

British Columbia Pulp and Paper Co. operated under considerable difficulty in 1935. Bond interest was not earned either before or after depreciation.

Interest on the first mortgage bonds was paid during the year, while the May 1 payment was made on the general mortgage bonds. With the exception of this payment, interest on the general bonds for five years beginning with May 1, 1932, was postponed until Nov. 1, 1940. Sinking fund payments due on the same issue prior to Nov. 1, 1941, have been cancelled.

The balance sheet as at the end of 1935 shows reduction of $50,000 to $160,000 in bank loans, while the outstanding first mortgage bonds were reduced by $141,000 to just under $3.2 millions.

Income and Surplus Account
Years Ended Dec. 31

	1935	1934
	$	$
Gross operating profit	224,423	......
Less: Legal fees & executive salaries .	31,707	......
Net operating revenue	192,716	685,214
Add: Investment inc. .	*31,682	29,877
Profit on sec. sold .	8,170	......
Profit on bonds red.	43,578	......
Total income	276,146	702,933
Less: Depletion	9,019	8,258
Depreciation	200,000	395,000
Bond interest	320,865	317,553
Directors' fees	3,000	3,900
Tax provision	......	12,000
Deficit for year	256,738	21,620
Previous deficit	†831,639	782,918
Deficit forward	1,088,377	804,538

*$23,701 interest on company's own bonds. †Adjusted.

Working Capital

	1935	1934
	$	$
Current assets	1,286,208	1,631,947
Current liabilities	456,026	484,739
Working capital	830,182	1,147,208

St. Lawrence Corp.

Consolidated statement of St. Lawrence Corp., holding company for St. Lawrence Paper Mills, Brompton Pulp and Paper and Lake St. John Power and Paper, shows a loss of $8,961 for 1935 bringing total deficit, after adjustments to $20,531.

The balance sheet at the end of 1935 shows little or no change from that reported a year ago.

The company now holds 502,915 shares of St. Lawrence Paper common stock; 297,284 shares of Brompton common and 99,246 of Lake St. John Power and Paper common stock.

North Star Oil

Despite higher provision for depreciation and an increase in taxes, profits of North Star Oil Ltd. in 1935 were the highest since 1930. Earnings on the company's preferred stock were equivalent to 52 cents a share and on the common stock to 17 cents a share.

Although a deficit exists in working capital account, current liabilities being in excess of current assets by $329,700, the company resumed dividends on its seven per cent preference shares, par value $5. After payment of preferred dividends, $33,873 remained to be carried forward to surplus.

Income and Surplus Account
Years Ended Dec. 31

	1935	1934
	$	$
Nett earnings	304,254	§253,567
Less: Depreciation ...	157,949	143,761
Reserve for inc. tax	17,000	13,799
Dam. & legal exps., from auto accident‡	......	8,833
Directors' fees	2,000	900
Executive salaries ..	22,250	......
Legal fees	1,182	......
Net profit	103,873	86,274
Less appropriations:		
Preferred dividends	70,000	......
Surplus for year	33,873	86,274
Less: Inc. tax, prior periods	1,515	......
Add: Prev. surplus ...	121,868	39,295
Excess inc. tax prov. for 1933	......	6,299
Balance forward	154,226	121,868

§Includes $896 from temporary investment. ‡After amount covered by insurance.

Working Capital

	1935	1934
	$	$
Current assets	1,771,181	1,640,958
Current liabilities	2,100,881	1,938,845
Working capital deficit	329,700	297,887

Interprovincial Brick

Interprovincial Brick Co. reports a net loss in 1935 of $4,246, an improvement of over $9,000 as compared with the previous year.

In his report to the shareholders, B. G. Greenshields, president, states that "the outlook for the current year is rather more promising and if the present rate of improvement is maintained, the future may be regarded with a reasonable degree of optimism."

Income and Surplus Account
Years Ended Dec. 31

	1935	1934
	$	$
Operating loss	304	......
Executive salaries ...	270	......
Interest on loan	3,672	......
Loss for year	4,246	13,693
Add: Prev. deficit ...	144,461	130,768
Loss forward	148,707	144,461

Working Capital

	1935	1934
	$	$
Current assets	55,264	52,068
Current liabilities	13,231	5,647
Working capital	42,033	46,439

Quebec Pulp

Consolidated loss of Quebec Pulp & Paper Corp. for 1935 amounted to $213,660, compared with $200,861 for the preceding twelve months.

During the past year one of the groundwood mills of the company's subsidiary, Chicoutimi Mills, was destroyed by fire. This unit had ceased to operate in 1930 and was considered as obsolete

The company holds substantial timber areas, including one block comprising some 400,000 acres of freehold land reported to contain over 4 million cords of pulpwood on which a fire protection service is maintained.

Income and Surplus Account
Years Ended Dec. 31

	1935	1934
	$	$
Total revenue	25,820	56,471
Less: Expenses	235,905	257,332
Depletion	3,576	......
Loss for year	213,661	200,861
Previous deficit	2,959,007	2,959,008
Less: Trans. from res.	56,656	200,861
Deficit forward	3,116,012	2,959,008

Working Capital

	1935	1934
	$	$
Current assets	592,283	627,520
Current liabilities ...	793,592	626,620
Working capital	*201,309	900

*Excess of liabilities.

Corrugated Paper Box

Corrugated Paper Box Co., Toronto, showed net profit in 1935 equivalent to $8.92 on each of the 7,835 preferred shares, compared with $7.62 a share in 1934. Full dividends of $7 a share annually have been resumed, and income funding rights for $33.25 for each preferred share will soon be issued to consolidate arrears of dividends.

Under the arrangement by which preferred shareholders elect two directors as long as any income funding rights are outstanding, it is proposed to elect J. A. Gairdner and W. A. Woodcock to the board.

Consolidated Income and Surplus Account
Years Ended Dec. 31

	1935	1934
	$	$
Total net earnings ..	130,028	113,875
Less: Depreciation ...	42,876	42,644
Income tax	17,126	11,518
Directors' fees	160	......
Net profit	69,866	59,713
Less appropriations:		
Pref. dividends	41,134	......
Surplus for year	28,732	59,713
Add: Prev. surplus ..	146,236	110,129
Sundry adjustments	4,021	7,181
Less: Expend. for red. of stock	......	30,787
Bal. carried forward .	178,989	146,236

Working Capital

	1935	1934
	$	$
Current assets	362,663	282,723
Current liabilities ...	44,765	24,353
Working capital	317,898	258,370
Ratio	8.10—1	11.61—1

Cooksville Co.

The financial statement of the Cooksville Co. (brick manufacturers) for 1935 shows an operating profit of $78,137 after deduction of executive salaries and legal fees, as against the comparative figure of $14,703 in 1934. Net income was insufficient to cover interest charges on loans.

In his report to shareholders, C. G. Greenshields, president, comments on the reorganization of the Laprairie Co. during the year, and outlines the Cooksville Co.'s interest therein. The outlook in the building industry, he states, is more promising than at this time last year.

Income and Surplus Account
Years Ended Dec. 31

	1935	1934
	$	$
Gross income	34,907	......
Less: Legal fees	1,250	......
Exec. salaries	5,520	......
Net revenue	28,137	14,703
Less: Directors' fees..	1,250	1,250
Interest on loans ...	44,777	44,062
Net loss	19,350	30,609
Previous surplus	266,175	588,593
Balance	246,825	557,984
W/o Fixed assets	......	201,164
W/o Investment	......	90,644
Surplus forward	246,825	266,175

Working Capital

	1935	1934
	$	$
Current assets	181,458	180,092
Current liabilities	803,757	783,461
Working capital	*622,299	*603,369

*Excess of liabilities.

I. P. of Newfoundland

Net sales of International Paper & Power Co., of Newfoundland, recorded an increase of nearly $350,000 in 1935 compared with the previous twelve months. An even greater increase was recorded by operating expenses and cost of sales, due to heavier pay roll charges, etc., with the result that net revenue for the year at $1.5 million was $144,000 less than in 1934. After all charges there was a net loss for the year of $442,222, as against 263,169 in 1934.

The balance sheet as at the end of 1935 shows secured bank loan of $1.2 million. The amount due to International Paper and affiliated companies increased to over $1 million. There is no change in the outstanding first mortgage bonded debt, while the A debenture stock is shown at $9 millions and the extended A debenture stock at $473,360. The latter two issues were redeemed on January 15, 1936.

In the auditors' report, it is stated that damage due to a burst penstock which resulted in flooding the power plant at Deer Lake on January 25 last was estimated at $350,000.

Income and Surplus Account
Years Ended Dec. 31

	1935	1934
	$	$
Net sales	6,731,284	6,383,018
Cost of sales	5,240,022	4,679,115
Profit on exchange ..	9,142	*59,360
Net revenue	1,500,404	1,644,543
Less Depreciation	641,680	604,893
1st mort. interest ..	243,300	243,300
Other interest	1,053,998	1,055,871
Bond discount	3,648	3,648
Net loss for year	442,222	263,169
Less: Prev. surplus ..	3,070,114	3,333,283
Surplus forward	2,627,892	3,070,114

*Loss.

Working Capital

	1935	1934
	$	$
Current assets	5,407,430	5,286,318
Current liabilities ...	2,089,891	2,640,208
Working capital	3,317,539	2,646,110

Pressed Metals

Pressed Metals of America Inc. had net profit in 1935 equivalent to $1.63 a share on the 112,989 outstanding common shares, compared with 36 cents a share in 1934. The improvement is largely due to increased activity in the motor industry. The company's silent U shackles and silent pivots are standard equipment on Chrysler, General Motors, Hup, Nash, Reo and Studebaker cars. President J. W. Leighton states sales for January and February, 1936, were ahead of those for the same months of 1935 and that the outlook is promising.

Working capital has been increased to the highest level since 1931 by conservative dividend policy.

Income and Surplus Account
Years Endede Dec. 31

	1935	1934
	$	$
Net oper. income	301,272	137,304
Less: Depreciation ...	54,284	42,317
Res. for cap. stk. tax	3,150	......
Reserve for taxes ...	31,500	5,248
Net operating profit .	212,338	89,739
Less: Loss on mtge.† .	31,177	......
Change from brass mfg. w/o	......	49,123
Net profit	181,161	40,616
Less appropriations:		
Dividends	14,125	......
Surplus for year	167,036	40,616
Add: Previous surplus	49,719	12,270
Profit: (Detroit land cont's)	......	1,324
Less: Inc. tax, 1933 ..	......	4,491
Balance carried fwd. .	216,755	49,719

†Loss through 1st mortgage foreclosure on collateral of notes receivable.

Working Capital

	1935	1934
	$	$
Current assets	534,883	367,814
Current liabilities ...	230,798	192,669
Working capital	304,085	175,145
Ratio	2.32—1	1.91—1

Holt, Renfrew

Holt, Renfrew & Co. converted an operating loss of $11,122 last year, into an operating profit of $56,382, for the twelve months ended January 31 last. The improvement in earnings enabled the company to cover interest charges, with a balance of $12,351 available for depreciation reserve.

Few changes of importance are shown in the balance sheet. Last year the properties of the company were appraised and are now carried on the books at a net depreciated value of $1.5 million. The volume of sales during the 1936 fiscal year showed an increase of $175,000 for the year.

Income and Surplus Account
Years Ended January 31

	1935	1934
	$	$
Operating profit	56,382	*11,122
Less: Bond interest ..	22,253	26,991
Other interest	18,779	18,835
Depreciation	12,731	3,396
Bond discount	3,000	3,000
Deficit for year	3,380	63,344
Previous surplus	189,065	252,410
Surplus forward	185,685	189,066

*Loss.

Working Capital

	1935	1934
	$	$
Current assets	894,512	940,306
Current liabilities ...	175,402	179,056
Working capital	719,110	761,250

Canadian General Electric Co.

Canadian General Electric Co. shows net profit for 1935 equivalent to $5.63 a share on the common stock, compared with $2.06 a share in 1934. However, nearly $2.10 a share was added to earnings from profit on sale of government bonds in connection with the redemption in 1935 of the former seven per cent preferred shares.

The large working capital is reduced by nearly $6.1 millions entirely due to the reduction of $7¼ millions in preferred stock. The new preferred issue is $1.3 million in five per cent shares of $50 each held by employees.

In common with other electrical equipment firms, the company's sales have been chiefly of merchandise and appliances, as demand for heavy products such as generators and power equipment has not recovered materially.

Consolidated Income and Surplus Account
Years Ended December 31

	1935	1934
	$	$
Earns. from oper.	1,228,661	1,015,811
Add: Inc. from invest.	1,005,291	*1,000,273
Profit from secs. ...	395,622	......
Less: Offic. salaries..	137,009	......
Directors' fees	21,835	21,626
Net earnings	2,470,730	1,994,458
Less: Depreciation	732,568	881,340
Income taxes	142,137	123,952
Net income	1,596,025	989,166
Less appropriations:		
Pref. dividend	532,291	509,043
Common dividend ..	566,535	566,535
Prem. on pfd. red. ..	1,124,635	......
Deficit for year	627,436	176,412
Add: Prev. surplus ...	6,010,393	6,186,805
Balance forward	5,382,957	6,010,393

*Includes dividends received from subsidiary companies.

Working Capital

	1935	1934
	$	$
Current assets	11,121,830	17,101,227
Current liabs.	1,166,101	1,067,906
Working capital	9,955,729	16,033,321
Ratio	9.53—1	16.01—1

International Transit Co.

Operations of International Transit Co., subsidiary of Great Lakes Power Co., improved in 1935. The company operates the street car system in Sault Ste. Marie, Ont., and a ferry to Sault Ste. Marie, Mich.

Better tourist traffic and increased traffic on the street car system contributed to increased revenues and profits for the company in 1935. Net profit for the year amounted to $11,831, compared with $2,010 in 1934.

Income and Surplus Account
Years Ended Dec. 31

	1935	1934
	$	$
Gross oper. income ..	103,128	85,515
Less: Oper. expenses†	89,010	82,142
Net earnings	14,118	3,373
Less: General interest	397	1,076
Taxes	*1,890	287
Net income	11,831	2,010
Less dividends	10,500	......
Surplus for year	1,331	2,010
Add: Prev. surplus ..	191,516	165,459
Res. for pub. liab. reversed to surplus	......	24,048
Bal carried forward..	192,847	191,517

*Includes taxes applicable to prior year. †Including retirement appropriations of $10,000.

Working Capital

	1935	1934
	$	$
Current assets	17,039	14,291
Current liabilities	7,397	3,683
Working capital	9,642	10,608
Ratio	2.30—1	3.88—1

Canadian Tube

Canadian Tube and Steel Products reports net income equivalent to $5.30 a share on the 15,000 shares of 7 per cent cumulative first preferred stock outstanding. A dividend of $1 a share was paid on this issue Dec. 16, 1935, so that arrears at the end of the year were 29½ per cent.

The outstanding funded debt of Canadian Rolling Mills and Colonial Wire Manufacturing Co., two subsidiaries, was recently redeemed.

Lower St. Lawrence

Earnings of the Lower St. Lawrence Power Co. for the three months ended January 31, 1936, show a gain over that reported for the corresponding period a year ago. Net income available for bond interest, after depreciation, etc., amounted to $33,139, as against $26,821 in 1935.

Three Months Ended Jan. 31

	1936	1935
	$	$
Income from oper.	72,095	65,220
Operating expenses	28,338	29,809
Net earnings	43,757	35,411
Less: Depreciation ...	10,618	8,590
Net income for bond interest ($17,499)	33,139	26,821

Canadian Westinghouse Co.

Canadian Westinghouse Co. reports net profit in 1935 equivalent to $1.58 a share, compared with $1.24 a share in 1934. Dividends of $2 a share are being continued, without reducing working capital.

Sales increased about 25 per cent in 1935 over 1934 but were mostly of small apparatus. President Paul J. Myler states the company is making steady progress in expanding sales of refrigerators, radios and similar appliances. Sales of air-brake equipment doubled due to modest orders for railway rolling stock, but power equipment sales continued slow.

Commenting on the new Canada-U. S. trade agreement, Mr. Myler expresses the hope that resultant benefits to general business may offset any harmful result to the electrical equipment industry from reduced protection.

Income and Surplus Account
Years Ended Dec. 31

	1935	1934
	$	$
Net earnings*	1,492,376	991,531
Add: Trans. from res. for deprec.	......	200,000
Less: Depreciation ..	410,000	400,000
Directors' fees	13,800	13,800
Taxes	110,000	65,000
Pension fund	35,000	35,000
Exec. remun.	63,175	......
Net profit	860,401	677,731
Less appropriations:		
Dividends	1,092,000	1,089,000
Deficit for year	231,599	411,269
Add: Prev. surplus ..	6,533,318	6,944,587
Balance forward	6,301,719	6,533,318

*Including investments.

Working Capital

	1935	1934
	$	$
Current assets	11,258,193	11,178,912
Current liabilities ...	737,482	682,610
Working capital	10,520,711	10,496,302
Ratio	15.26—1	16.37—1

Steel Co. of Canada

Steel Co. of Canada reports net earnings in 1935 available for dividends equal to $3.31 a share on the combined issues of preferred and common stock. This compares with $2.81 a share in 1934.

Disbursement of $1.42½ per share extra on the common stock from 1935 earnings brings down to $10 a share the amount by which the common has received less dividends than the preference.

The gradual rise of working capital is attributed by president Ross H. McMaster to annual additions representing unexpended depreciation. He explains that in a few years nearly $2 millions will be needed to rebuild coke ovens, and that replacement of older open hearth furnaces and remodelling of the blooming mill be necessary. In the past 10 years, some $15 millions have been spent on new plant and equipment. Another drain on working capital will come with maturity of $3 millions of bonds in 1940.

Transfers to pension and benefit funds will reduce annual charges to operations on account of these purposes. A bonus of five per cent on wages earned in the last six months of 1935 was paid to employees in January, 1936.

Income and Surplus Account
Years Ended Dec. 31

	1935	1934
	$	$
Earnings From:		
Oper. after deprec.	2,170,033	1,844,271
Sec., less inc. tax .	332,050	385,667
Sale of securities ...	94,985	10,459
	2,597,068	2,240,397
Less int. on bonds .	211,586	219,757
Net earnings	2,385,482	2,020,640
Less: Pref. dividends	434,741	454,741
Ord. dividends	1,460,500	805,000
Benefit, pens. res. .	300,000	300,000
Surplus for year	170,241	460,899
Add: Prev. surplus ...	12,884,003	12,423,104
Surplus forward	13,054,244	12,884,003
Note: The following have been charged before determining earnings:		
Depreciation	1,443,195	1,423,318
Dom., prov. inc. tax	455,829	375,000
Directors' fees	12,600	12,600
Remun. of exec. off.	132,684	......
Legal expenses	1,071	......

Working Capital

	1935	1934
	$	$
Current assets	19,509,821	17,520,861
Current liabilities	2,928,868	1,890,593
Working capital	16,580,953	15,630,268

Great Lakes Power

Larger power sales resulting from increased operations of the Algoma Steel Corp., greater mining activity in the Michipicoten field and the activities of Chromium Mining and Smelting Co., enabled Great Lakes Power Co. to increase its operating revenue in 1935 by $67,266 or 8.9 per cent.

Profits increased substantially, earnings on the company's common stock amounting to $2.63 a share, compared with 15 cents a share in 1934. Increased profits made it possible for the company to pay off the cumulative arrears, $5.83 a share, on the preference stock.

During the year the company paid off a maturity, $140,000 of its first mortgage bonds, reducing the amount outstanding to $1,423,500. Notes owing to an affiliated company were reduced by $77,100 to $4,089,500.

Income and Surplus Account
Years Ended Dec. 31

	1935	1934
	$	$
Gross earn. from oper.	824,342	757,076
Less: Oper. expenses .	127,453	161,874
Taxes	78,620	
Retirement approp. .	119,932	150,153
Net earn. from oper. ..	498,337	445,049
Add: Non-oper. inc. .	12,677	11,749
Net earnings	511,014	456,798
Less: Bond interest ..	88,000	95,680
Gen interest	291,349	294,462
Prov. for inc. tax ..	......	8,319
Misc., etc., net	......	1,170
Net profit	131,665	57,167
Less appropriations:		
Pref. dividends	52,500	52,500
Div. arrears	43,750	......
Surp. for year	35,415	4,667
Add: Prev. surplus ..	879,535	945,023
Profit from secs. ...	35	......
Incr. in mkt. val. of secs.	......	2,312
Less: Prov. for net loss on guar. of officer's loan	*72,467	72,467
Surplus forward	987,452	879,535

*Credit. Provision made in 1934 now reversed.

Working Capital

	1935	1934
	$	$
Current assets	214,350	297,963
Current liabilities ...	77,365	121,111
Working capital	136,985	176,852
Ratio	2.78—1	2.46—1

Mercury Mills

In spite of sharp increases in cost of raw materials and unfavorable conditions in the full-fashioned hosiery industry, Mercury Mills made the highest profit it has had since 1929. Nothing was earned after depreciation on bond interest in 1934, but in 1935 it was earned 1.48 times before depreciation and .23 times after depreciation.

Consolidated Income and Deficit Account
Years Ended Dec. 31

	1935	1934
	$	$
Net earnings	135,031	31,414
Less: Directors' fees ..	4,000	4,000
Directors' salaries ..	18,889	......
Bond interest	73,425	73,425
Depreciation	91,500	91,500
Prov. taxes	3,500	......
Oper. loss for year	56,283	137,511
Less: Adj. of res. for contracts	17,418	......
Add: Adjust. of invent..	......	29,500
Res. for adj. contract..	......	48,000
Exps. of non-oper. subs.	7,167	6,568
Net loss for year	46,037	221,579
Add: P-K Mills divd. ...	912	1,140
Deficit for year	46,949	222,719
Add: Prev. deficit ...	349,403	126,684
Invest. w/o	310	......
Deficit forward	396,663	349,403

Winnipeg Electric

On the basis of actual earnings in 1935 and with provision for bank interest and depreciation, it is estimated Winnipeg Electric Co. will have available $1,656,874 to take care of interest on the new 4½ per cent first mortgage bonds. After the latter charge there would be nearly $1.5 million to take care of interest on the general mortgage bonds, and dividends on the capital stock.

Particulars of the company's earnings during 1935 and 1934 are set forth in the prospectus covering the public offering of the new first mortgage bonds. The statement is set out to show how interest requirements on the new bonds will rank in relation to earnings of the company in the past two years. This pro forma income and surplus account follows:

Pro Forma Income and Surplus Account
For Years Ended Dec. 31

	1935	1934
	$	$
Net revenue	6,401,799	6,126,716
Less expenses	3,682,424	3,569,359
Net earnings	2,719,375	2,557,357
Less: Depreciation ..	1,000,000	1,000,000
Bank interest	62,500	62,500
1st mort. interest ..	157,500	157,500
Bal. avail. for other int. & dividends	1,499,374	1,337,356

English Electric Co.

Reduction of net loss in 1935 was effected by English Electric Co., despite reduced interest income. D. H. McDougall, president, states in the annual report there was evidence of better demand for electrical equipment in the latter half of 1935.

Sales increased 29 per cent in 1935 over 1934, and sales in January and February, 1936, were double those for the same months of 1935. "Shareholders may consider the outlook decidedly promising," says Mr. McDougall.

New Barlux Tubelights manufactured by the company have had a favorable reception and are being installed across Canada. The company has also arranged to manufacture incandescent bulbs in Canada. These developments are expected to lend stability to the company's business which heretofore has been concentrated in heavy equipment.

George H. Nelson, chairman of the English Electric Co., London, has been added to the board to fill the vacancy caused by the death of Sir John Pybus.

Consolidated Income and Surplus Account
Years Ended December 31

	1935	1934
	$	$
Loss on oper.	27,075	52,964
Add: Prov. for deprec.	40,000	40,000
Directors' fees▲	596	......
Exec. offic. remun. .	22,060	......
Legal fees	725	......
Less: Inc. from invest.	11,962	......
Net loss	78,494	92,964
Less: Previous surplus	11,694	104,658
Bal. carried forward .	*66,800	11,694

*Deficit
▲After deducting $1,083, reserved in previous years.

Working Capital

	1935	1934
	$	$
Current assets	584,334	672,813
Current liabilities	32,960	26,437
Working capital	551,374	646,376
Ratio	17.73—1	24.45—1

British American Oil Co.

British American Oil Co. earned debenture interest 10.14 times in 1935 as well as $1.10 a share on 2,622,642 no par value shares outstanding. In 1934 share earnings were $1.05 a share. As dividends paid were the usual 80 cents a share surplus was increased materially. Working capital is greatly increased.

Income & Surplus Account
Years Ended Dec. 31

	1935	1934
	$	$
Gross profit	5,147,426	4,767,150
Less: Direct. fees ...	139,459	9,550
Deb. interest	315,737	221,767
Depreciation	1,292,374	1,351,605
Income tax	515,180	428,204
Net profit	*2,884,675	*2,756,024
Dividends	2,098,114	2,098,114
Year's surplus	786,561	657,910
Prev. surplus	7,996,420	7,338,510
Surplus	8,782,981	7,996,420
Deduct goodwill	......	......
Less tax adjust.	50,787	......
Surplus forward	8,732,194	7,996,420

*Not including earnings of United States subsidiaries which in three preceding years have been half a million dollars or more per annum.

Working Capital

	1935	1934
	$	$
Current assets	10,804,657	9,369,583
Current liabilities ...	2,467,206	5,088,648
Working capital	8,337,451	4,280,935

Consolidated Bakeries

Operating profits of Consolidated Bakeries of Canada increased more than 40 per cent in 1935 over 1934. Sales of both bread and cake were higher both in poundage and in dollar value. Dividends of 90 cents a share were paid on 318,443 no par value shares and earned. The disbursements were more than four times those of 1934.

Working capital was higher even than indicated in the table given at the end of this article. Investments in stocks and bonds are shown at $1.1 millions but had a market value of $1.6 millions at the end of 1935.

Consolidated Income and Surplus Account
Years Ended

	Dec. 28 1935	Dec. 29 1934
	$	$
Operating profit	437,282	306,039
Add: Rents	3,782	2,601
Divds. & int. from invests.	68,481	50,883
Less: Directors' fees .	720	700
Exec. salaries	32,750	......
Solicitors' fees	1,859	......
Net earnings	474,216	358,823
Less: Depreciation ..	134,736	138,244
Income tax	52,328	27,855
Net profit	287,152	192,724
Less appropriations:		
Dividends	286,599	▲63,689
Surplus for year	553	129,035
Add: Previous surplus	223,426	94,391
	223,979	223,426

Working Capital

	1935	1934
	$	$
Current assets	1,746,646	1,652,824
Current liabilities	239,087	195,039
Working capital	1,507,559	1,457,785
Ratio	7.30—1	8.47—1

P. Rico Power Asks Court Aid

Seeks Injunction Against $3 Million Federal Power Project

From Our Own Correspondent

MONTREAL.—Port Rico Power Co.'s operating unit in San Juan, Porto Rico Railways, Light and Power, has applied for an injunction from the Federal District Court at San Juan to restrain permanently the Reconstruction Administration from carrying out a $3 millions rural electrification project.

Violation of the company's franchise rights and an invasion of its territory, is charged by the company.

This is the second problem to come before the company in recent months. Early last year the Public Utility Board in Porto Rico issued an order reducing the company's rates. This order was appealed to the courts, but so far a decision has not been given.

Classified Advertisements

Classified ads cost 4c. per word and figure for each insertion. Minimum ad, $1.75. Add five words when box number is required. Classified ads payable in advance.

Capital Wanted

OWNER of 1,000 (one thousand) acres in Sudbury District, adjoining two Nickel producing mines, seeks capital to form company. If interested, write Box No. 290, The Financial Post, Toronto, Canada.

DIVIDEND NOTICES

The Dominion Bank

Notice is hereby given that a Dividend of two and one-half per cent upon the paid-up capital stock of this Institution has been declared for the quarter ending 31st March, 1936, being at the rate of ten per cent per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Wednesday, the 1st day of April, 1936, to shareholders of record of the 20th March, 1936.

By Order of the Board,

DUDLEY DAWSON,
General Manager.

Toronto, 13th February, 1936.

The Toronto Mortgage Company

Quarterly Dividend

Notice is hereby given that a dividend of $1.50 per Share, upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after
1st April, 1936,
to Shareholders of record on the books of the Company at the close of business on 14th instant.

By order of the Board.

WALTER GILLESPIE,
Manager.

BUILDING PRODUCTS LTD.

DIVIDEND NOTICE

Notice is hereby given that a dividend of twenty-five cents (25c.) per share has been declared on the outstanding common shares of the company for the quarter ending March 31, 1936, payable April 1, 1936, to shareholders of record March 18, 1936.

By Order of the Board,

R. C. CROOKER
Secretary-Treasurer

The British American Oil Company, Limited

NOTICE is hereby given that the regular dividend of Twenty Cents (20c.) per share has been declared on the issued No Par Value capital stock of the Company for the first quarter ending March 31st, 1936. The above dividend is payable in Canadian funds, April 1st, 1936, to shareholders of record at the close of business on the 16th day of March, 1936. Transfer books will not be closed.

Share Warrant Holders will present Coupons Serial No. 24 to the Royal Bank of Canada, Toronto, Ontario, or to the Royal Bank of Canada, Montreal, Quebec, on or after April 1st, 1936.

P. W. BINNS,
Secretary.

Dated at Toronto, March 10th, 1936.

Railways Agree On Ottawa Plan

C. N. R. and C. P. R. Will Have Joint Use of Engine Facilities

From Our Own Correspondent

MONTREAL.—Arrangements are being made between the Canadian Pacific and the Canadian National Railways for joint use of engine house facilities at Ottawa.

The Canadian Pacific's facilities being more modern will be used jointly to a large extent, but a number of Canadian Pacific locomotives which do not require engine house attention will be turned, coaled and watered at the Canadian National facilities.

Will Mean Saving

The date upon which this arrangement will become effective has not yet been decided. It is estimated that with relatively small expense, necessary to co-ordinate the existing facilities, the arrangement will result in substantial annual savings to the two companies.

Radio Sales Rise

Canada's production and sale of radio receiving sets in the third quarter of 1935 amounted to 58,964 and of that total 8,879 or 15.1 per cent of the whole were bought in Quebec. Both federally and provincially these totals represent marked increases over the 1934 period.

DIVIDEND NOTICES

Imperial Bank of Canada

DIVIDEND NO. 183

Notice is hereby given that a Dividend of two and one-half per cent. (2½%) has been declared for the quarter ending the 30th April, 1936, payable at the Head Office and Branches on and after Friday, the First day of May next, to shareholders of record of 31st March, 1936.

By order of the Board.

A. E. PHIPPS,
General Manager.

Toronto, 11th March, 1936.

Provincial Paper Limited

Notice is hereby given that Regular Quarterly Dividend of 1¾% on Preferred Stock has been declared by PROVINCIAL PAPER LIMITED, payable April 1st, 1936, to all shareholders of record as at close of business on March 15th, 1936.

W. S. BARBER,
Secretary-Treasurer.

Toronto, Ont.

NOTICE OF DIVIDEND

BRALORNE MINES LIMITED

(Non-Personal Liability)

Notice is hereby given that a Quarterly Dividend of 10 cents per share, and an extra Dividend of 5 cents per share have been declared on the paid-up capital stock of the Company, payable on the 15th day of April, 1936, to shareholders of record as of March 31st, 1936.

By Order of the Board,

RONALD GRACE,
Assistant Secretary.

Vancouver, B.C.,
March 10th, 1936.

THE B. GREENING WIRE COMPANY, LIMITED

Preference Dividend No. 40

Notice is hereby given that the quarterly dividend of one and three-quarters per cent on the Preferred Shares of the Company has been declared payable April 1st, 1936; also a dividend of one and three-quarters per cent to apply on account of deferred dividends, to shareholders of record March 14, 1936.

F. J. MAW,
Secretary.

Hamilton, Ont., March 12, 1936.

NOTICES

Montreal Tramways Company

ANNUAL GENERAL MEETING

NOTICE is hereby given that the Annual General Meeting of the Shareholders of MONTREAL TRAMWAYS COMPANY will be held at the Head Office of the Company, Tramways Building, 159 Craig Street West, Montreal, on Monday, the 27th day of April, 1936, at 12.00 o'clock noon.

This meeting will be held for the purpose of receiving and considering the Annual Report and Financial Statements, for the election of Directors, the appointment of Auditors, and for such other business as may properly come before said meeting.

The Transfer Books will be closed from the 7th day of April, 1936, to the 28th day of April, 1936, both days inclusive.

By Order of the Board,

PATRICK DUBEE,
Secretary-Treasurer.

Montreal, March 16th, 1936.

Brewing Corp. Refunds Notes Due April 1, 1936

Brewing Corp. of Canada announces that arrangements have been completed for refunding $815,000 outstanding notes and debentures due April 1, 1936. These are due in England, it is understood and the refunding will be made at a saving in interest charges.

The company has declared the regular dividend of 37½ cents, payable April 15 to shareholders of record March 31, 1936. Arrears will then be $2.25 a share.

The physical assets of Budweiser Brewing Corp., subsidiary, have been sold to Harry Hill of Belleville, and the company will be wound up.

MACLEAN'S MAGAZINE

In 1905 the magazine "Business" (started in 1895 by J. S. Robertson Company) became the property of The MacLean Publishing Company, Limited. The new owner changed the name to "The Busy Man's Magazine".

Just twenty-five years ago this month, in March 1911, it became "Maclean's," Canada's National Magazine.

The policy of giving Canadians the very best of fiction and timely articles of national Canadian interest was started at that time. The circulation was then approximately 35,000. The circulation now is over 260,000—the largest in Canada.

Advertising of 361 products appeared last year in Maclean's, Canada's National Magazine.

Maclean's
Canada's National Magazine

International Nickel Earns $1.65 a Share

Record Sales Result in Highest Earnings in History

WORKING CAPITAL UP

New sales records for nickel, copper and platinum metals, enabled International Nickel Co. in 1935 to earn $26.1 millions the highest profits in its history. After disbursement of $1.9 millions in preferred dividends, earnings were equivalent to $1.65 a share on the common stock. This compares with $1.13 a share in 1934 and 53 cents in 1933.

Profits showed a steady increase throughout the year, amounting to $8,005,700 in the fourth quarter, compared with $6,377,324 in the first three months of the year.

In addition to having record profits, the company enjoys the best liquid position in its history, working capital at the end of the year amounting to $50.4 millions, an increase of $10.4 millions over the previous year.

Cash increased from $18.7 millions at the end of 1934 to $30.4 millions at Dec. 31, 1935, government bonds from $1.6 millions to $2.2 millions, accounts and bills receivable from $5.1 millions to $6 millions and inventories of metals from $20.6 millions to $21.3 millions.

In referring to the company's strong position, Robert C. Stanley, president, states that this "'is now more than ever necessary to assure at all times adequate production facilities and a continuation of aggressive market development to meet the exigencies of expanding business."

Funded Debt Redeemed

During the year the company redeemed the outstanding debenture debt of its subsidiary, Mond Nickel Co. This entailed a disbursement of $5,413,827 and eliminated all securities senior to the preferred stock of International Nickel Co.

Complete ownership of Ontario Refining Co. at Copper Cliff is now shown by the company's balance sheet, and this fact accounts for the increase in the net property account from $139 millions to $147 millions.

Capital expenditures for 1935 amounted to $3.2 millions, compared with $2.3 millions in 1934. Additions and betterments under way and authorized for 1936 call for an expenditure of $9.4 millions. This includes the expansion in the company's production facilities at Copper Cliff at an estimated cost of $6.4 millions.

Exploration in Finland

Progress is reported in the exploration of the company's nickel ore deposits in Finland. During the summer of 1935, the report states, "exploratory work was started on the Petsamo concession. A geological survey was made and diamond drilling started. The results obtained justify further exploration and the programme of work planned for 1936 embraces diamond drilling, magnetic, electrical and topographical surveying, road building, power investigation and a study of transportation problems."

Sales of nickel in all forms amounted to 129,850,207 pounds, an increase of 42 per cent over 1934.

Copper sales were up 20 per cent to a total of 233,000,000 pounds. Silver sales at 3,160,220 ounces, compared with 1,006,808 ounces in 1934, and sales of platinum metals totalled 128,874 ounces as compared with 124,424 ounces in the previous year. Less gold was disposed of than in 1934, the figures being 69,944 ounces in 1935 and 74,375 ounces in the previous year.

Cons. Income and Surplus Account
Years Ended December 31

	1935 $	1934 $
Earnings	38,164,101	27,672,126
Less: Admin. & h. o. exp.*	1,505,932	1,384,870
Res. for taxes	4,602,324	2,803,610
Net oper. profit	32,055,845	23,483,646
Add: Inc. from invest.	420,641	312,445
Profit on sale of secs.	74,315	......
Miscellaneous	7,650	12,519
	32,558,451	23,808,610
Less: Deprec. & depl.	4,897,837	4,115,315
Retir., insur. & other res.	1,380,657	804,844
Int. paid & accrued	193,429	400,972
Net profit	26,086,528	18,487,479
Less: Pref. dividends	1,933,899	1,933,899
Common dividends	10,933,627	7,289,085
Surplus for year	13,219,002	9,264,495
Add: Prev. surplus	30,990,016	22,767,570
Less: Trans. to cap. surp.	......	1,000,000
Prem. on deb. red.	114,525	42,049
Surplus forward	44,094,493	30,990,016

*In 1935 includes $31,378 fees of directors not executive officers and not holding salaried positions and $654,937 counsel and solicitors' fees, salaries and fees of executive officers and directors holding salaried positions; in 1934, includes $38,255 directors' fees.

Working Capital

	1935 $	1934 $
Current assets	60,109,935	46,247,968
Current liabilities	9,621,001	6,166,640
Working capital	50,488,934	40,081,328

Island Mountain Earns $110,782

Marked improvement in the financial position of Island Mountain Mines, operating in the Barkerville area of British Columbia, is shown by the company's report for 1935. Working capital at the end of the year shows a surplus of $37,088 as against a deficit of $165,976 at the end of 1934. During the year the loan of $225,000 from Newmont Mining Corp. was reduced to $37,000.

Profits in 1935, which was the first full year of milling activity for the company, amounted to 10.5 cents a share.

Milling capacity stood at 110 tons daily at the end of 1935 as compared with 55 tons daily in the previous year. During the year 30,340 tons of ore were milled, average recovery being $20.24 per ton milled.

Ore reserves increased from 37,250 tons to 43,331 tons. The average grade is estimated at .553 oz.

Income and Surplus Account
Year Ended Dec. 31, 1935

	$
Bullion recovery	614,229
Less: Oper. & admin. costs	301,329
Interest	9,435
Prov. for taxes	36,749
Depreciation	242,779
Depletion	113,154
Net profit	110,782
Add: Previous surplus	1,270
Balance carried forward	112,052

Working Capital
As at Dec. 31, 1935

	$
Current assets	118,070
Current liabilities	80,982
Working capital	37,088

Preston East Dome New Stock Listed

Exchangeable for Old on Basis of 5 for 1

Toronto Stock Exchange has approved the listing application covering new shares of Preston East Dome Mines, and trading started March 13.

Preston East Dome holds a group of claims in Tisdale Twp. in the Porcupine area of northern Ontario. Last February, the company received supplementary letters patent permitting the reduction of the issued capital from 2,805,000 shares to 561,000 shares. The old shares are exchangeable on a basis of five old for one new. The old stock was formerly listed at Toronto.

The company plans to continue drilling.

Balance sheet as at Dec. 31, 1935, shows current assets of $3,847, all in cash, against current liabilities of $1,127.

The company reports it has entered into an agreement with Alaric Securities whereby that company purchased 250,000 shares for $25,000 net to the treasury. In addition, Alaric Securities has been given options on 1.5 million shares at prices ranging from 15 cents per share, to be taken up by Oct. 1, 1936, to 50 cents per share, to be taken up by Oct. 1, 1939.

Turner Field Grows Active

Government Reports Large Number of Applications Filed

From Our Own Correspondent

CALGARY. — Further evidence that Alberta is on the eve of one of the greatest periods of oil and gas development in its history came to light when the government announced 318 applications for oil leases had been filed at Calgary and Lethbridge branch offices since Jan. 1, covering many thousands of acres. These applications are over and above the 150,000 acres thrown open for development under the new permit regulations.

The Canadian Western Natural Gas, Light, Heat and Power Co., which supplies gas from Turner Valley to Calgary and Lethbridge and a large number of towns and communities in Southern Alberta draws attention in its annual report to a rather serious decline in rock pressure at Turner Valley. The pressure dropped from 973 to 879 pounds during the past year.

Financial Statement

The gas company reported an earned surplus at the end of December, 1935, of $248,358.29 and a special surplus of $420,995.45. The gross income from operations was $2,234,682 and the net income $767,240.88. The company paid dividends of three per cent on common stock during the year and continuance of the six per cent dividend on preference shares is recommended.

Reduction in naphtha and crude oil production was reported for January. The total for Turner Valley was 102,717 bbls. as compared with 107,627 bbls. in December. A still further reduction is expected for February as there was a marked decrease in deliveries to the Calgary refineries during that month. Total Alberta production in January was 105,171 bbls. compared with 110,118 bbls in December.

For the first time in history, oil well casing has been imported from England for use in Alberta operations. It was purchased by the Hunter Valley Oil Co. for its McLaren No. 1 well, 65 miles west of Olds.

British American which is building an absorption plant in Turner Valley is now interested in three valley wells, financial support having been given Highwood Royalties.

McWilliams-Beardmore Lets Drilling Contract

McWilliams-Beardmore Mines, adjoining the property of Northern Empire Mines in Northern Ontario, has let a drill contract to the Ontario Diamond Drilling Co. The drill is already on the way to the property. An option has been secured on an additional eight claims, one claim removed to the south and east of the present holdings. This ground was examined and passed upon last fall by the company's resident engineer, J. Walter Evans.

McWilliams-Beardmore has an authorized capitalization of three million shares, of which 750,000 have been issued for the property and escrowed. This leaves a balance in the treasury of 2,250,000 shares.

David B. McWilliams of Toronto is president, and directors include James F. B. Loblaw, Donald K. Templeton, Vaughan MacLean Howard, J. H. Westren, F. A. Ireland, and Stewart A. McWilliams.

Society Pays Tribute To J. B. Tyrrell Fund

In a report of the Council of the Geological Society of London for 1935, tribute is paid to the J. B. Tyrrell Fund, founded in 1928 by Dr. Tyrrell, president of Kirkland Lake Gold Mining Co. and prominent Canadian geologist. The purpose of the fund is to assist geologists of Great Britain and Ireland to travel to and fro in Canada or to assist in the publication of meritorious papers by geologists of the Old Country upon Canadian geology. In 1935, grants from the fund were made to Professor W. H. Wilcockson, lecturer in geology, University of Sheffield, and to Dr. T. C. Themister, lecturer in mineralogy, University of Cambridge.

In commenting on the fund, the Council states that all the recipients of grants bear testimony to the great help and many kindnesses received from Dr. Tyrrell. "The desire of the founder," states the report, "that the fund should promote intercourse and co-operation between the geologists of Canada and Great Britain and Ireland is thus being fulfilled."

Week in Wheat

All Markets Watching U. S. Winter Wheat Area

Weather of Next Few Weeks Prime Factor in Price Movements — Export Buying Steady With Australian Rush Over

From Our Own Correspondent

WINNIPEG. — Changing opinions during the next few weeks, based on weather in the American winter wheat areas, will be a major factor in market trends. If it appears that the United States will not produce a wheat surplus greater than it can carry without having to reduce domestic prices to export levels, markets everywhere will be strengthened. On the contrary, the prospect of any large export from the United States will have a weakening effect, larger proportionately than a corresponding increase in available quantities from other countries.

The week opened with a moderate demand from foreign buyers. In most quarters a steady increase in enquiry from aboard is now expected.

Watch U. S. Crops

WHEN the private reports of United States crop experts were made public on the condition of winter wheat as at March 1, a bearish effect on the market was created. It was almost immediately offset by some increased buying on account of political tension in Europe. As the latter eased, and the stimulus given to buying on that account decreased, the effect was offset by new reports of an impaired outlook for U. S. winter wheat. There is as yet no consensus of opinion as to the final out-turn. Some observers are mainly impressed by the poor prospects over a considerable area, while the attention of others is mainly fixed on the good outlook in other fairly large areas.

* * *

Sales to the States

LARGE withdrawals are currently being made from stocks of Canadian bonded wheat in the United States for domestic milling in that country. Canada is still far short of selling to the United States the 50 millions of bushels that many predicted early in the season. But as stocks of U. S. domestic wheat are being used up, a greater opening is left for Canadian grain. There are good grounds for believing that business will proceed much more rapidly up to about the middle of June when the first new crop wheat will be ready.

The actual extent of business to be done is difficult to estimate in advance. Its continuance is dependent upon United States prices for hard spring wheat remaining at a sufficient level above the Canadian market to permit the duty of 42 cents a bushel to be paid. But the United States market is somewhat sensitive to this business, and while it will tolerate a certain volume, it shows a tendency of alarm whenever that volume jumps.

* * *

Spreading Futures

THE Canadian Wheat Board is understood to have been "spreading" wheat futures in considerable volume from May to July. A large part of the board's holdings are in the form of "cash" wheat owned outright in various positions, on which storage charges are paid to elevators. But a large volume is also held in the form of "futures" contracts. To some extent this is an inheritance from the former "stabilization" holding of futures accumulated under the management of John I. McFarland, by Canadian Co-operative Wheat Producers, and turned over to the Canadian Wheat Board.

These futures contracts are held both against wheat carried in country elevators and also stocks in terminals and in Eastern Canada. The Canadian Wheat Board is forbidden by the legislation creating it to buy more wheat except direct from producers, and consequently has not done any of the buying of futures contracts on the open market such as formed the principal feature of the operations of the former régime. But that does not prevent additional futures contracts being added to the board's holdings. For as board holdings in various positions are sold, the initial transaction is frequently on the basis of the board taking back a contract for future delivery. By this means the buyer is able to "hedge" his purchase during the time that it must be carried.

For a time the old Wheat Board seemed to have the opinion that the legal prohibition against hedging except from producers would prevent both transactions of this sort and also the "switching" of futures contracts from one month to another. Had that view continued to be held it would have made it necessary for the board to become the actual owner of all wheat, instead of allowing stocks to be held by others and kept hedged in the market. And in addition it would have made it very difficult for export business to be carried on through usual channels, as those dealing in wheat in various positions and in transit like as a rule to keep it continuously hedged to ensure against loss from any decline in price. But the new board has given the provisions of the act a much wider interpretation.

As the volume of Wheat Board holdings continues to decline it may become possible for all switching transactions to be carried out on the open market.

* * *

Easing Up From Australia

PRESSURE of new marketings in Australia is now relaxing, and realization is increasing that the current crop, while exceptionally high in quality is only moderate in quantity. Some improvement is taking place in Oriental demand, as last year's Chinese wheat crop, which was comparatively small, commences to run out.

Australians see many months ahead of them in which to dispose of the remaining supplies destined for Europe, and a probable slackening of pressure of competitive soft wheats on the British market. The great wheat surplus of recent years has been mainly made up of such wheat, and the subsidized export of French and other continental wheats has been especially harmful to the market for Australian wheat.

* * *

Country Elevators Emptying

STOCKS of wheat are commencing to move in fairly large volume from country elevators to terminals, in preparation for a large volume of business that is hoped for at the opening of navigation. Country elevator operators see that the prospects for their earnings during the remainder of the season are badly impaired, with smaller storage volume. That is only partly due to increased exports of wheat, and to a considerable extent is also due to the fact that larger than usual stocks are in store in the East.

* * *

Deliveries Gain

WITH milder weather in Western Canada, farm deliveries of wheat are commencing to pick up again, and it will not be surprising if this week they exceed 2 millions of bushels. Liverpool observers are suggesting that perhaps this means that last year's wheat crop had been underestimated, a conclusion by no means justified by this particular fact. Deliveries are increasing now because weather for a time was so severe as to prevent grain hauling over a large part of the West. A good deal of the wheat now being delivered is being replaced by other quantities of higher grade wheat taken out of elevators for use as seed. Thus the fact that a large proportion of western farmers were unable to save from last year's crop a suitable supply of seed tends to increase the quantity of wheat which becomes visible by passing through elevators.

Moreover, it is probable that farmers will carry over on their farms unusually small quantities of wheat. They observe that for months now the Wheat Board has been paying higher than market prices for wheat, and are by no means sure that a correspondingly high price will be available next year, especially if the West should produce a good crop. Consequently every possible bushel will be sold to the Wheat Board as long as the present price holds good.

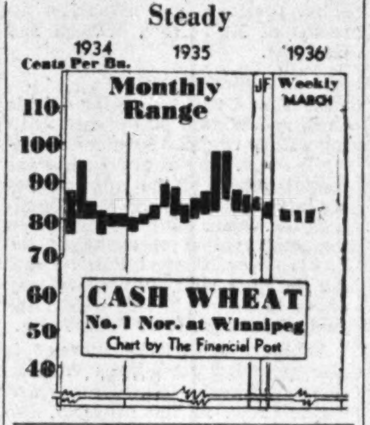
* * *

Durum for U. S.

SOME hundreds of cars of durum wheat have lately been shipped all rail from country elevator points in Western Canada direct to mills at Minneapolis and Duluth. The difference in values between Canada and the United States has been sufficient to offset both the duty of 42 cents a bushel and the approximate difference in freight rate of nine cents a bushel as between Fort William and the southern milling centres. For a time it seemed that the macaroni manufacturers of the United States would get on this year without their usual supplies of semolina made from durum wheat, and would employ ordinary hard wheat. Lately, however, there has been an increased demand, and it is quite possible that this will be maintained during the next few months. The United States outlet is badly needed for Canadian durum wheat as in former years the Canadian supply has gone almost altogether to Italy, and such business is now out of the question.

While the Wheat Board stands to lose money this year on all grades of wheat, judging by the course of markets since the minimum basic price of 87½ cents a bushel was established, the losses on durum are proportionately greater than on other wheat.

Steady



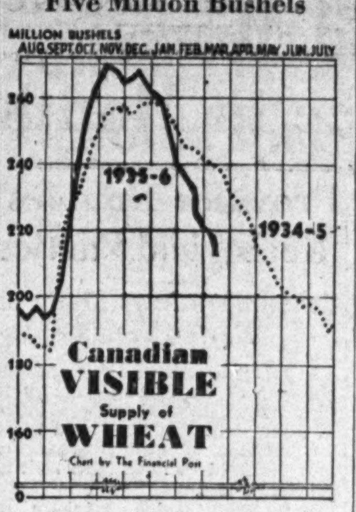
At the Mines

Algoma Mining and Finance Co. —reports an underwriting and option agreement dated February 4 covering 600,000 shares has been terminated after the purchase of three blocks of 100,000 shares each at five, 5½, and 7½ cents. A new agreement has been entered into under which 300,000 shares have been sold for eight cents a share, and options granted on a further 300,000 in blocks of 100,000 each at eight cents a share within 30 days; ten cents a share within 45 days, and 12 cents within 45 days.

* * *

Morris Kirkland — reports that payments due March 12 under the agreement dated September, 1934, have been made, and the balance of the option has been terminated. In its place the company has granted an option dated January 27, 1936, on the following basis: 100,000 shares at 35 cents a share by March 3, 1936; 45,000 at 35 cents by April 10; 60,000 at 35 cents by May 11; 60,000 at 35 cents by June 10; 35,000 at 35 cents by July 10; 17,500 at 50 cents by July 11; 50,000 at 50 cents by August 10; 50,000 at 50 cents by September 10; 50,000 at 50 cents by October 10, and 32,500 shares at 50 cents by Nov 10, 1936.

Five Million Bushels



Notwithstanding what is believed to be the last rush of farmers' 1935 grain into country elevators, stocks of Canadian wheat in marketable positions declined almost five million bushels last week. This brought the visible supply down below 215 millions by the middle of March as compared with about 240 millions a year ago. As country deliveries dry up and the expected American demand accelerates, the weekly decline in Canadian visible is expected to speed up.

For the first time in weeks export clearances were again over the three million mark.

Canadian Visible

March 12	Week previous	Last year
214,317,000	219,251,000	237,419,000
Export Clearances‡		
3,362,673	2,738,847	2,853,293

‡Plus U. S. imports.

New Wheat

Heavy snows this winter followed by recent rains over many parts of the Prairies have combined to greatly improve the moisture situation in western Canada. For a time it was feared that most of the winter snows would melt on the frozen ground and simply run off into the sloughs. Reports of the past few days, however, agree that from a moisture point of view the wheat land of the west approaches seed time in the best shape in many years.

* * *

Surveys by the Washington authorities indicate that American farmers will increase acreage in spring wheat and other grains over recent years when areas were restricted under the A. A. A. However, it is not expected that these increases will result in more than the normal acreages previous to 1932.

* * *

Santa Fe Railway estimates it is still possible for Kansas to harvest over 130 millions of bushels of wheat this year. This compares with slightly under 60 million in 1935 and 80 million in 1934. Allowance is made for dust storm and winter damage. Average Kansas production for the past five years has been almost 170 million. March estimates, it should be remembered, even in the southern states, are generally regarded as a bit early. Much may still happen before harvest, which starts early in June.

* * *

While rain would be welcome in the wheat areas of the Texas Panhandle, nevertheless conditions are described as considerably better than a year ago.

* * *

Ontario winter wheat acreage is estimated at only approximately 70 per cent of that sown in 1934, the crop which yielded slightly under 13 millions of bushels. Excellent moisture and cover conditions are recorded so far this winter.

* * *

Winter wheat crop forecasts for United States at the beginning of this month are estimated at approximately 525 million bushels. This is about 100 million above the actual harvest of 1935, and compares with a five-year average of 618 millions. About two-thirds of the total wheat crop of United States is of the winter type.

* * *

With world stocks of wheat considerably reduced from a year ago, the coming European crop promises to be a more important factor than usual this season. Early reports indicate a slight decrease in the acreage of winter wheat (the principal type grown) and March conditions are described generally as "the poorest in years."

More Wheat Goes to U.K.

Canadian January Exports Almost Double a Year Ago

Canadian wheat exports to the United Kingdom during January, 1936, gained almost 100 per cent over the same month a year ago, rising from 1.6 millions of long cwts. to 3.1. During the same period there was a considerable increase in the imports of Australian grain, but a very sharp decline in receipts from the Argentine.

Flour imports from Canada, on the other hand, were down substantially in January, but were considerably higher from Australia. A noticeable decrease occurred in flour imports from France. A year ago much was heard of the French flour invading the British market.

Details of the principal imports are as follows:

U. K. Imports
(Units 112 lbs.)

	January 1936	January 1935
Wheat		
Australia	1,718,420	1,327,438
Canada	3,131,840	1,655,294
Russia	166,511	....
United States	....	18
Argentina	250,105	1,636,689
Other countries	1,374,560	834,210
Totals	6,641,436	5,456,649
Flour		
Australia	270,194	122,633
Canada	240,832	307,243
France	84,483	138,902
Italy	....	37,096
United States	6,703	7,299
Argentina	20,265	18,778
Other countries	134,498	8,015
Totals	756,975	639,966

Livestock Loss in Alberta Light

Winter's Toll on Ranges Not as Heavy as Expected

From Our Own Correspondent

LETHBRIDGE. — Checks being made on the ranges after the most severe winter in years, during which it was feared the sheep and cattle industries were losing heavily, show that while there has been a substantial loss of cattle, sheep casualties were light.

Some horses perished but not many, as large numbers had been marketed in Eastern Canada and the United States. The demand for the past six months has been strong, especially since the first of the year when the lowered tariff went into effect. This reduced the duty on Canadian horses entering the U. S. $10 a head, a pronounced stimulus to exports. A U. S. horse buyer attending the Lethbridge Horse Sale early in March stated "1,000 head would have been sold" had they been available. As it was, less than a hundred head were offered, the country having been previously combed by the buyers.

Favorable Spring in Saskatchewan

Plenty of Moisture — Expecting Normal Wheat Acreage

REGINA. — With spring conditions at normal Saskatchewan farmers will sow practically the same acreage to wheat and coarse grain this year as they did last year. Moisture appears favorable at present, mild weather having melted a considerable amount of snow.

Frost has penetrated the ground to an abnormal depth and unless warm weather settles over the land early it will be some little while before seeding starts. Average for general seeding has been the last week of April over a period of years.

Farm Mutual Insurers Have Loss Ratio of 62.4

A comparison of annual statement summaries of Farmers' Mutual Fire Insurance companies in Ontario shows total net premiums earned in 1935 were $1.6 millions, about $85,000 under the previous year's figure. Net losses at $995,370 were also lower, but not sufficient to offset an increase in earned loss ratio from 60.86 to 62.39.

The number of policies in force rose during the year by 1,412 to 177,018. Net amount at risk was $106,610 lower at $528 millions.

As a result of the year's operations, 22 companies were considerably strengthened, 44 showed no substantial change, and two were definitely weakened.

Ontario Cheese

Ontario's cheese production last year amounted to 75,319,941 pounds, compared with 73,301,029 pounds in 1934, an increase of 2.8 per cent.

Wheat Prices

(Cash Quotations)

	For Week Mar. 17 High $	For Week Mar. 17 Low $	Prev. Week High $	Prev. Week Low $
At Winnipeg:				
1 Man. Hard	.85¼	.83¾	.84¼	.82¾
1 Northern	.84⅜	.82¾	.83¼	.81⅝
2 Northern	.82	.80½	.80¾	.79⅛
3 Northern	.77¾	.76¼	.76¾	.75⅛
4 Northern	.74½	.72¾	.73¼	.71¾
5 Wheat	.67	.65	.65½	.64
6 Wheat	.57	.55⅜	.56	.54½
Feed Wheat	.50	.46½	.47	.45½
Vancouver: Week to Mar. 13:				
1 Northern	.84¼	.82¼	.82	.81½

Competitive Export Prices:
(March) shipment:

	High Week to Mar. 13	Low Week to Mar. 13
No. 1 North. (Vanc.)	1.01	0.98½
No. 2 North. (Atlan.)	0.98⅝	0.96¾
No. 2 North. (Vanc.)	0.99⅜	0.97½
Argentine Rosafe	unquoted	
Do., Barusso	unquoted	
Australian (Afloat)	0.94	0.91¾
Australian	0.95½	0.93½
French	0.80⅞	0.80¼

Winnipeg Grain Prices

Week to Mar. 17, 1936

Crop year from Aug. 1, 1935 High	Crop year from Aug. 1, 1935 Low		Open Mar. 11	High for week	Low for week	Close Mar. 17
		Wheat				
1.02¼	.82¼	May	.84½	.86¼	.84⅛	.84⅜
.92⅞	.83⅛	July	.85⅜	.87	.84⅞	.85¼
.89	.82⅛	Oct.	.85⅝	.87⅛	.85	.85¼
		Oats				
.35⅜	.29⅝	May	.32⅝	.32⅞	.32	.32
.33⅜	.30	July	.32⅛	.32¾	.32	.32
		Barley				
.42½	.34⅝	May	.38¾	.39¾	.38½	.38½
.40¼	.35⅜	July	.39⅝	.40¼	.39	.39⅛
		Flax				
1.65	1.33	May	.....	1.59¾	1.57½	1.58¼
1.63	1.40¼	July	.....	1.57¾	1.55	1.56½
		Rye				
.51⅞	.41¼	May	.45⅝	.46¼	.44⅞	.45⅛
.48½	.43⅛	July	.46⅝	.47½	.45⅞	.46⅛
.49	.46⅜	Oct.	.....	.48⅝	.47⅛	.47⅜

GRAIN MERCHANTS In World Trade
Owning and Operating
Terminal Elevator at Port Arthur
(Capacity 5,500,000 bushels)
Over 200 Elevators in Western Canada
EST. 1857
SHIPPERS & EXPORTERS
JAMES RICHARDSON & SONS Limited
WINNIPEG REGINA MONTREAL MOOSE JAW VANCOUVER SASKATOON TORONTO CALGARY KINGSTON EDMONTON

Quality Builds Good-will
Good-will and enduring reputation have been built and maintained by Purity Flour through strict adherence to quality and uniformity. It is on this sound basis that Purity Flour, the Company's leading brand, has held for over thirty years, foremost place in the estimation of Canadian users.
PURITY FLOUR
Best for All Your Baking
Milled by Western Canada Flour Mills Co., Limited.
Head Office, Toronto; Branches from Coast to Coast. Mills at: Goderich, Winnipeg, Brandon, Calgary and Victoria.
Other Leading Products: Purity Rolled Oats; Purity Salt; Hovis Flour; Pioneer Poultry Foods.

GRAND TRUNK PACIFIC ELEVATOR CO.
LIMITED
LOCATED AT FORT WILLIAM ON C.N.R. & C.P.R. ELEVATOR ABSOLUTELY FIREPROOF THROUGHOUT. OPERATED BY ELECTRICITY — CAPACITY 5,750,000 BUS.
Frederick B. Wells, President
J. E. Dudley, Vice-Pres, and Gen. Mgr.

TORONTO ELEVATORS LIMITED
Capacity:
Toronto, 4 Million Bushels
Sarnia, 3 Million Bushels
The most modern facilities for the storage and transfer of grains, for grain conditioning, and for the production of Master feeds for Livestock and Poultry. "Master" feeds are endorsed and recommended by leaders in the livestock industry of Canada.
Toronto Elevators Ltd.
also Owning and Operating
The Sarnia Elevator Co. Ltd.
QUEEN'S QUAY TORONTO

A Complete Investment and Trading Service
STOCKS .... BONDS
GRAIN ..... MINES
MELADY, SELLERS & CO. LTD.
Grain Exchange WINNIPEG Phone 92709

N. M. PATERSON & COMPANY LTD.
Own and Operate
One Terminal Elevator in Winnipeg
Two Terminal Elevators in Fort William
109 Country Elevators
Total Storage Capacity 6,925,000 bus.
31 Vessels on the Great Lakes
Total Carrying Capacity 4,500,000 bus. per trip
Head Office: FORT WILLIAM, ONT.

FEDERAL GRAIN LIMITED
OPERATING TERMINAL ELEVATORS - FORT WILLIAM - PORT ARTHUR - VANCOUVER
423 COUNTRY ELEVATORS THROUGHOUT THE WEST
101 COAL SHEDS
Our Service and Facilities Guarantee Satisfaction

Your Questions Answered Without Charge
As a subscriber to The Financial Post you are entitled to information regarding any Canadian investment that you are interested in.
If not already a subscriber, address your enquiry to The Investment Department when sending in your subscription.
USE THIS COUPON
THE FINANCIAL POST,
481 University Ave.,
Toronto 2, Canada.
Please send me The Financial Post for the next year (52 issues). I enclose $5.00.
Name ....
Occupation ....
Address .... F.P.

The Week in Mining

Mining Share Prices Recover from Slump

Base Metals Lead Market Advance — Ontario Increases Department of Mines Allotment

The mining market is recovering nicely from the slump caused by the war scare in Europe.

While trading continues to be light, sufficient buying has developed to send golds, base metals and oils to better price levels. Advances, however, have for the most part been narrow in range.

Base metals have been particularly strong, with International Nickel and Consolidated Smelters leading. International Nickel advanced on news of record earnings in 1935 and Smelters was pushed upward on the strength of the announcement that the company plans to split its stock. Noranda and Hudson Bay Mining and Smelting followed the general trend.

God's Lake Gold Mines has been a weak spot, reflecting market reaction to the disappointing results reported in the company's annual statement.

Mine Developers Cheered

MEMBERS of the Ontario Prospectors and Developers Association, which is probably one of the most colorful organizations in the world, had good reason to congratulate itself after hearing various government speakers at the annual dinner held in Toronto recently.

Prospectors and promoters, to the number of some 600, heard Hon. T. A. Crerar, federal minister of mines, unequivocably pledge his support to the aims of the association.

Mr. Crerar both confirmed and set at rest the rumors to the effect that the department of Mines was to be merged with other departments to form one portfolio. He confirmed the fact that the Prime Minister had asked him to attempt such a merger, but he pledged his word that if the proposal were carried out, the mining branch would not lose its identity. The department would, in all probability, be known as the Department of Mines, Resources, and Colonization.

* * *

Budget Recognition

A FEW days prior to the Prospectors' dinner, The Ontario budget was brought down, and definitely set at rest the fear that the province, in its eagerness to present a balanced budget, would add to the tax burden of Ontario's mines.

The budget speech of the Premier acknowledged the contribution which the industry has already made to the welfare of the province, not only by way of taxes, which increased over $327,000 in 1935 to $1,400,656, but in the way of employment.

The budget speech stated that in view of the importance of the industry, it is proposed to allot an additional sum to the department of mines for the enlargement of its work.

The Financial Post understands the increase will be as high as 30 per cent. Coming at a time when the provincial government is striving to balance its budget, this is recognition indeed.

The Ontario department will send out twice as many geological survey parties as it did in 1935, and more prospectors classes will be held.

Reference was also made in the speech to the action, reported some weeks ago in The Post, in throwing open to the prospectors vast areas which have been inaccessible.

* * *

General Index Down

FOLLOWING the lead of the industrial section, the mining market fell off badly during the past week. The general index for twenty-three mining stocks dropped from 148.6 for the week ending March 5 to 144.8 for the week ending March 12. For the same week last year the index was 127.5.

The gold group bore the brunt of the selling wave, especially among the junior issues. The index for the week of March 12 was 123.8 as compared with 127.7 for the week of March 5 and 126.8 for the same period last year.

Losses among the base metals were not quite so impressive and the index for this group receded less than that for the gold group. The index was 230.9 for the week ending March 12 as compared with 234.5 for the week ending March 5. For the corresponding week last year this index was 134.6.

Better Position Kirk. L. Gold

Earnings Per Share Maintained at About Three Cents

Kirkland Lake Gold Mining Co. has added materially to its ore reserves, both broken and general, the annual report for the year ended Dec. 31, 1935 shows.

Despite an increase in operating costs, including an increase of $8,000 in taxation, the company maintained its earnings position, and met its dividend requirements, earnings per share for the year amounting to slightly over three cents per share.

At Dec. 31, current assets exceeded current liabilities by $378,932, as compared with working capital of $322,185 at Dec. 31, 1934.

Cost Per Ton

Costs for the year, before depreciation, totalled $574,794, or the equivalent of $7.99 per ton, on the basis of 71,920 tons milled. This compares with a per ton cost of $8.10 in the 1934 period.

The 71,920 tons milled during the year had a gross value of $864,477, or an average value per ton of $12.02. During the year alterations and additions to the mill improved extraction, and increased capacity. Recovery per ton equalled $10.83. Improvements to the surface plant, and the company's share of the cost of extending the Kirkland Lake Hospital, and constructing a drainage tunnel under the townsite caused unusual expenditures totalling $12,950. Mr. Emery states that there is no indication at the present time of any unusual expenditures facing the company in 1936.

Comparative profit and loss statements for 1935 and 1934 follow:

Income and Surplus Account
Years Ended Dec. 31

	1935	1934
	$	$
Bullion prod.	778,555	702,720
Less: Oper. expen.	535,227	495,592
Taxes	18,495	10,546
Admin.	21,072	19,900
Operat. profit	203,761	176,682
Add non-oper. income:		
Rents, interest, etc.	11,560	12,502
Profit on sale of sec.	8,207	1,783
Net earnings	223,528	190,967
Less: Deprec.	56,798	27,454
Net profit	*166,730	*163,513
Less: Dividends	157,174	157,174
Surplus for year	*9,556	*6,339
Add: Prev. surplus	334,014	327,675
Balance forward	343,570	334,014
*Before income taxes.		
Earnings per Share & Div. Record:		
Earned	$0.031	$0.031
Paid	$0.03	$0.03

Norgold Mines Seeks Finances

Norgold Mines is negotiating for funds to finance the sinking of a shaft on its property in Bousquet twp., Quebec, according to the company's annual report. It is estimated that the company should have a minimum of $75,000 in its treasury.

Working capital as at Dec. 31 last amounted to $17,510. Cash on hand is shown at $18,355 and current liabilities at $1,845.

During 1935, the company expended $9,736 on exploration, mine equipment and administration. Of an authorized capitalization of three million shares, 1,231,499 shares are outstanding.

Jowsey Island Gold Finances Arranged

If present options on treasury stock are exercised, Jowsey Island Gold Mines will have ample funds to carry out its development programme. Since the first of the year the company has received $76,000 from the sale of 304,000 shares at 25 cents and options have been granted on an additional 1.1 million shares.

To date, the report states, the shaft has been sunk to a depth of 214 ft.

Results have been encouraging. Less than 100 ft. of drifting completed on the first level disclosed an ore shoot 92 ft. long, averaging 0.62 ounces over a width of 4.1 ft., with the west face still in ore.

Perron Treats 110 Tons Daily

Working Capital Account Shows Deficit of $46,645

Perron Gold Mines' new mill is currently handling about 110 tons of ore daily, shareholders were informed by J. P. Norrie, general manager, at the annual meeting March 14. The company expects to bring the capacity of the mill to 140 tons daily in a short time.

The mine "looks better today than it ever did," shareholders were informed. While no tonnage figures of ore reserves are given in the company's annual report, it is estimated reserves are more than sufficient for two years' milling operations.

In reviewing development, the general manager states that on the 175-ft. level, vein lengths of over 3,000 ft. have been opened up with an average width of five ft. and an average grade of .42 ozs. On the 325-ft. level over 1,000 ft. of ore of average width of 4.5 ft. and average grade of .39 ozs. has been indicated in drifting. In the 343 vein, 305 ft. of ore of an average width of six ft. and an average grade of .06 oz. has been opened up.

Working capital account shows a deficit of $46,645. Current liabilities consist of accounts and accrued charges payable of $79,983, wages payable of $6,502 and a loan of $65,000.

Income and Expenditure Account
Year Ended December 31 1935

Income	$
Cash on hand Jan. 1, 1935	1,870
Sale of stock	305,000
Bullion production	82,113
Sundry revenue	12,962
	401,945
Less: Ded. from explor., devel., maint. & mill charges	95,075
Net receipts	306,870
Expenditures	
Accts. pay. & accr. chgs. at Jan. 1, 1935	11,273
Investments	30,000
New bldgs., plant & equip.	151,024
Explor., devel., maint. & mill chgs.	206,882
Less: Bullion prod. & sundry rev. (above)	95,075
Explor., devel., maint. & mill charges to bal. sheet	111,807
Store, mater., prepaid exps., etc.	25,847
Net expend. during year	329,951
Less: Accts. & pay rolls pay. at Dec. 31, 1935	86,489
Net payments during year	243,462
Cash on hand & in banks at Dec. 31, 1935	64,409
Working Capital	$
Current assets	104,843
Current liabilities	151,488
Working capital deficit	46,645

Gunnar Gold Mines To Produce in Month

Two Years' Ore Available For 150-ton Mill— Grade $14-$15

SHAFT GOING TO 1,000

Gunnar Gold Mines is on the verge of big things.

Within a month, the LaBine-directed gold property at Big Rice Lake, in Central Manitoba, will be a producer.

Within less than a month its 150-ton mill will be operating.

Within ten days, the company will issue an annual report, which The Financial Post understands will make decidedly favorable reading for shareholders.

Within two years, Gunnar Gold's mill will have treated at least 85,000 tons of blocked-out ore, averaging $14 to $15 gold per ton. In the same two years it will push underground ore development with the object of keeping the mill operating indefinitely.

Improved Finances

Financially, Gunnar Gold is in good shape, The Financial Post learns. Details will appear in the annual report.

But from a milling and mining standpoint, the situation is improving to an equal extent. The mill, with capacity of 150 tons daily, has been constructed on schedule and fulfilled all earlier expectations. It will turn over for the first time at the end of March or early in April.

As mill-feed, the new mill will have $14 to $15 grade ore, and since there are about 100,000 tons indicated or proven, the mill is assured of continuous operation for at least two years. More significant, however, is that of the 100,000 tons, no fewer than 85,000 tons are blocked-out ore, and as depth development proceeds the underground situation is becoming perceptibly brighter.

Average values on the deepest level to date, the 750-ft., are among the highest yet encountered, running close to half an ounce to the ton, and the ore picture has lengthened to a notable extent on the same level.

Shaft Deepening

Meanwhile the shaft is being deepened from the 750-ft horizon to 1,000 feet, and word came from Manitoba this week that a station is now being cut at the 875-ft. level. The 1,000-ft. objective will probably be reached by April 15, if the present rate of shaft sinking continues, and as a result Gunnar will have two more levels at depth on which lateral development can be continued at leisure.

In all, Gunnar had carried out about two miles of underground work up to January 1 of this year. Since, further important developments have taken place, with significant indications that not only tonnage is being put in sight, but that gold values are being well maintained as operations extend vertically and laterally.

Revenue from gold production cannot be expected for another month at least, but in the meantime the company has placed itself in a strong working capital position through a $250,000 loan to be repaid from gold recovery, "at any time at the company's option."

An option was given on 150,000 shares of stock at $1 a share up to October 31, 1936, but completion of the mill will leave Gunnar with about $325,000 in cash.

Ample Working Capital

As a result, it will have more than enough to complete construction of the mill, and can take care of mill and mine requirements during the next year without drain on its revenue from gold production.

The loan bears interest at 6 per cent and proceeds from the sale of optioned stock will be applied against it. Directors are confident, however, the entire loan can be repaid from gold production whether or not any stock is taken up under the option.

Province Doubles Geological Parties

Schedule Covers Many of Newer Fields

In recognition of the growing importance of the mining industry to the province the Ontario Department of Mines will this year send twice the number of geological parties into the field as have been sent in previous years.

Hon. Paul Leduc, minister of mines, announces parties will be sent to the following areas: Porcupine, East Kirkland Lake, Horwood Lake, Pickle Lake and Crow River, Keefer and Denton Twps. southwest of Porcupine, Sturgeon River and Little Long Lac, Eastward extension of Long Lac area,, Schreiber, Split Lake, Eagle Lake, Sachigo River and Mink Lake area, east of God's Lake.

Owing to recent discoveries in the Sachigo River-Mink Lake district, the necessity has arisen to have the survey of the interprovincial boundary between Manitoba and Ontario continued, and it is expected this work will be undertaken during the summer. If so, geologists will be attached to the survey parties.

GodsLakeGold Shows Deficit

Ore Developments in 1935 Prove Disappointing Report Reveals

Ore developments at God's Lake Gold Mines during 1935 were disappointing, the annual report of the company reveals. While ore reserves recorded a slight increase, the grade of the ore reserve was lowered due to the fact that ore bodies which were opened up during the year were lower grade than the ore bodies previously opened up.

Milling operations were commenced by the company on Sept. 10 last and during the 3½ months ended Dec. 31, 1935, operations resulted in a net loss of $20,488 after all charges.

During the 3½ month period, mill tonnage amounted to 15,011 tons or an average daily tonnage of 138 tons. The average assay of mill heads was 0.352 oz. and of tailings 0.056 oz., giving a percentage recovery of 84.1 per cent. The low percentage of recovery was due to unexpected trouble encountered in the treatment of ore. By the end of the year this trouble had been overcome, and the over all recovery in January was 93.3 per cent.

Lean Horizons

In reviewing the year's developments, R. J. Jowsey, president, states that the two new levels appear to be in a lean horizon in which so far there is little ore. He points out, however, that there was a similar scarcity of ore on the surface. He expects that the company will encounter other ore bearing horizons at greater depths. The possibilities of finding other ore bodies at shallow horizons are not yet exhausted.

Development costs, according to Eldon L. Brown, general manager, will be considerably higher than anticipated because of the difficulties encountered in finding ore bodies.

Ore reserves are placed at 99,000 tons, compared with 76,000 tons at the end of 1934. The grade of the reserve is calculated at 0.36 ozs., after allowing 20 per cent for dilution.

Statement of Operations
3½ Months Ended Dec. 31, 1935

	$
Metal recoveries	133,622
Less: Marketing expense	1,970
Less expenses:	
Mine development	31,103
Exploration	4,938
Mining, tramming & hoisting	44,240
Crushing & conveying	3,707
Milling	29,374
General expenses	23,044
Admin. expenses	6,523
Operating loss	11,278
Add: Non-operating revenue	14,290
Net earnings before deprec.	3,012
Less: Depreciation	23,500
Net loss	20,488

Working Capital
As at December 31

	1935	1934
	$	$
Current assets	362,021	350,198
Current liabilities	94,254	112,745
Working capital	267,767	237,453

Lakeside Kirkland Buys Mining Plant

Lakeside Kirkland Gold Mines has completed the purchase of a complete mining plant for operations planned to commence immediately. A contract has been awarded for the erection of necessary camp buildings and housing for machinery, etc.

DomeEarnings $3.90 a Share

Increased Taxes Result in Slight Decline in Profits

With increased taxes taking a heavy toll, earnings of Dome Mines Ltd. dropped slightly in 1935. Net profit for the year was equivalent to $3.90 a share, compared with $3.94 a share in 1934. After payment of dividends a loss of $93,615 was shown.

While profits declined slightly, the company enjoys the strongest financial position in its history. Working capital at the end of 1935 amounted to $8.2 millions, compared with $7.9 millions in 1934.

Included in current assets are 30,000 shares of East Geduld Mines, carried at a cost of $368,934. The market value of these shares is $1.4 millions.

Ore Reserves

Ore reserves are again estimated at two million tons. This includes 773,700 tons of broken ore, but does not include 300,000 tons indicated as probable ore between the 23rd and 25th levels.

Development work at the property of Sigma Mines, an affiliated company, is reviewed by J. H. Stovel, general manager. Total expenditure by Dome Mines in development of the Sigma property to the end of 1935 was $538,838.

Acquisition of a group of 13 claims adjoining the company's property from Foley O'Brien Corp. Ltd. necessitated a capital outlay of $446,223. While it may be several years before the company's workings reach this property, the trend of the ore bodies is all in the direction of these claims and it is felt that this fully justifies their purchase, the report states.

Development in connection with the company's new No. 6 shaft resulted in an increase in operating costs. Operating costs for the year were $4.14 per ton milled, as against $3.87 in 1934.

Income and Surplus Account
Years Ended Dec. 31

	1935	1934
	$	$
Bullion production	†6,939,989	†6,672,721
Less operating expenses:		
Mining, incl. hoisting	731,370	802,717
Devel. and explor.	658,461	440,777
Crushing & convey.	120,314	109,385
Milling	504,506	538,072
Adm. and gen. exp.	150,511	167,106
Directors' fees	38,500	38,500
Legal fees	13,810	......
Exec. officers fees	22,664	......
Insurance	15,408	15,628
Prov. & munic. taxes	19,286	19,919
Operating earnings	4,665,159	4,549,617
Add non-oper. revenue:		
Discounts earned	1,698	1,412
Dividends received	67,862	87,690
Bond int. received	296,296	275,228
Bank and misc. int.	8,565	5,321
Add: Exch. (net)	......	9,257
Less: Exch. (net)	10,826	......
Net earnings	5,028,754	4,928,525
Less: Res. for taxes	564,534	332,377
U. S. taxes	26,453	......
Reserve for deprec.	200,000	200,000
Outside explor. w/o	18,046	13,725
Conting. secs., etc.	500,000	500,000
Net profit	3,719,721	3,882,423
Less dividends	3,813,336	3,813,336
Dom. div. taxes (5%) paid	......	123,398
Surplus for year	‡93,615	‡54,311
Add: Previous surplus	2,681,286	2,791,922
	2,587,671	2,737,611
Less: Bonus to empl.	51,750	56,325
Bal. carried forward	2,535,921	2,681,286

‡Loss.

†After deduction of Dominion bullion tax of $504,365 in 1934 and $346,202 bullion tax and mint charges in 1935.

Working Capital

	1935	1934
	$	$
Current assets	10,195,112	9,541,774
Current liabilities	1,931,002	1,577,378
Working capital	8,264,110	7,964,396

New Drilling Will Be Done In Crow Area

Kaw-Crow, Winoga and Gateway Are Making Progress

ALBANY TO SINK

Kaw-Crow Patricia, Winoga Patricia, Gateway Patricia and Albany River Mines, "juniors" of the Pickle Lake area, are coming into greater prominence as a result of preliminary exploration and development which indicate promising ore conditions for all four.

Unlike many camps where small, independently operated ventures are in progress, no fewer than three of the Pickle Lake properties mentioned are under the single direction of one man, long associated with the area. He is Reginald E. Hore, president and managing director of Kaw-Crow, Winoga and Gateway.

Electric Survey

At Kaw-Crow, adjoining Pickle Crow and Winoga on the east, drilling will be resumed soon and meanwhile importance is attached to the partial survey of the property being made electrically by Hans Lundberg Inc. Since the property lies on the general line of strike of the Pickle Crow, Central Patricia and the Springer vein, its position may prove to be significant, within the general schist zone of Crow River.

Another electrical survey is also projected for Winoga Patricia, lying between Kaw-Crow and Pickle Crow. At this property, also Hore-directed, diamond drilling has now started along the general line of strike of the main Pickle Crow vein. Here too, initial indications have been favorable.

Gateway Patricia, consisting of more than 1,000 acres, lies in the western end of the schist zone and adjoins the western boundary of Central Patricia. It is in the line of strike of Central Patricia's main vein for about a distance of a mile and drilling already carried out is reported to have yielded encouraging gold values in one core from the central section of the ground.

Albany River

Albany River Mines, where original discoveries and staking were made in the Pickle Lake area, is farther advanced than any of the other so-called "junior" properties. It has placed mining equipment on the property preparatory to shaft sinking to an initial depth of 250 feet.

Coniaurum Has $30,947 Profit

Broken Ore Reserves Increase — Working Capital Up

A profit of $73,238 on securities sold enabled Coniaurum Mines to report a net profit of $30,947 in 1935.

Apart from profit realized on sale of securities, operations of the company showed a loss of $42,291 after write-offs for depreciation and deferred development costs. Deferred development is written off at the rate of $1 per ton milled, the sum of $151,055 being provided for this purpose in 1935.

Broken ore reserves increased during the year while unbroken ore reserves were reduced slightly. Broken ore reserves at the end of 1935 stood at 200,067 tons. Unbroken ore reserves are estimated at 171,320 tons.

Mill tonnage in 1935 amounted to 151,055 tons from which an average recovery of $7.51 per ton was made.

Income and Surplus Account
Years Ended Dec. 31

	1935	1934
Bullion prod.	1,134,597	981,851
Less: Development	288,947	247,306
Diamond drilling	16,543	22,159
Mining	421,094	295,964
Milling	125,536	120,033
Marketing	13,723	10,091
Gen. exp. at prop.	21,655	18,173
Silicosis assess.	13,902	1,000
Mine office & super.	32,749	36,576
Admin. & gen. exp.	26,586	14,320
Oper. profit	173,862	216,229
Add: Non-oper. rev.	30,388	27,260
Profit on secs. sold	73,238	5,300
Total earnings	277,488	248,789
Less: Prov. for taxes	3,535	7,500
Def. devel. w/o	151,055	138,114
Depreciation	91,951	85,482
Net profit	30,947	17,693
Less: Prev. deficit	19,143	13,487
Org. exp. w/o	......	23,350
Surplus forward	11,804	*19,143

*Deficit.

Note:—Bullion production includes revenue from sale of 32,151,552 oz. of gold and 6,026.57 oz. silver. This amounted to a gross value per ton of ore milled of $7.51. Operating and administrative expenses were $6.27 per ton milled, leaving an operating profit of $1.15 per ton.

Working Capital

	1935	1934
	$	$
Current assets	922,559	846,107
Current liabilities	79,746	75,335
Working capital	842,813	775,772

Bulolo Gold Earnings Fall Behind 1935 Level

From Our Own Correspondent

MONTREAL.—Bulolo Gold Dredging reports gold production during February amounted to 9,432 fine ounces, which compares with 9,094 fine ounces in January, and 10,022 ounces in February, 1935. Estimated net working profit in February is shown at 6,442 fine ounces, which is equivalent to $225,470 with gold. In January, net working profit was estimated at $224,140, and in February, 1935, $240,135.

N. C. URQUHART & CO.
STOCK BROKERS
Members Toronto Stock Exchange
15 King Street West Toronto, Ont.
ADel. 6028

Island Lake Mines Ltd. Reports $35,475 Loss

Island Lake Mines reports a net loss of $35,475 in 1935.

Active mining and milling operations were carried out only until the end of April, 1935, when the property was closed down. No decision has yet been made with regard to a further programme of mine development and additional financing.

Current assets are shown at $31,374 as against current liabilities of $189,856. This latter amount includes amounts owing to Ventures Ltd. totalling $188,856. In addition there is accrued interest on these advances of $20,931, for which there is no provision.

Operating Statement
Year Ended Dec. 31, 1935

	$
Bullion produced	57,533
Less: Marketing charges	973
	56,560
Concentrates produced	9,698
Less: Shipping & smelting chgs.	6,775
Total revenue	59,483
Less: Development (incl. d. d.)	31,421
Outside exploration	4,352
Mining	16,714
Milling	19,204
Adminis. & gen. expense	20,493
H. O. expense	2,309
Int. pd. to Ventures Ltd.	849
Add: Non-oper. revenue	384
Loss for year	35,475
Add: Loss for period ended Dec. 31, 1934	29,327
Deficit carried forward	64,802

Additional Mining News on page 29

Minto Gold Mines Strikes Rich Ore

From Our Own Correspondent

VANCOUVER.—Minto Gold Mines, a Bridge River property, has recently been furnishing most of the interest in British Columbia mining circles due to what appears to be an important strike in a drift off the river level tunnel.

The drift is now in more than 85 feet with a six-foot face of ore. Two feet of the face is in the hanging wall vein and carries values up to four ounces a ton. The balance of four feet of the face is on the vein proper and values run as high as nineteen ounces to the ton. A picked sample of 100 pounds of ore assayed thirty-six ounces gold per ton.

Officials of Minto report the ore from the main vein is so rich that it is being loaded into ore sacks ready for shipment to the Tacoma smelter, concentration being unnecessary.

Goodfish Mining Co.—reports to the Toronto Stock Exchange that an option has been granted on 1.5 million shares plus the balance of the treasury stock on the basis of 450,000 shares at 15 cents a share; three blocks of 200,000 each at 20, 25 and 30 cents respectively; 250,000 at 35 cents, 200,000 at 40 cents. The balance of the treasury stock is optioned at 50 cents a share, payments to be $2,000 down, $5,000 within one month and thereafter $10,000 monthly.

Direct Private Wires to Canadian and American Security Markets
J. R. Timmins & Co.
Members
NEW YORK STOCK EXCHANGE
TORONTO STOCK EXCHANGE
CANADIAN COMMODITY EXCHANGE INC.
COMMODITY EXCHANGE, INC. (New York)
NEW YORK
61 Broadway and Chrysler Building
TORONTO
347 Bay Street
ADelaide 8132
MONTREAL
Royal Bank Building

BAIN SPONSORED
Backing Faith With Works in a Proven Gold Area
Early in 1934 we underwrote and offered the first public issue of the shares of Pickle Crow Gold Mines, Limited, upon the recommendation of Reginald E. Hore, who has since become general manager of our subsidiary company . . . We commenced to acquire additional ground in the area a year and a half ago and have since secured for financing and development, under Mr. Hore's direction, three of the most important remaining properties in the area, which are briefly described herein . . . We are firmly convinced that the time is now ripe for undertaking further important exploration and development on these favorably-located and highly-valued properties which all have geology similar to that of the producing areas and give promise of producing commercial ore bodies in Canada's most remarkable young gold field . . . Extensive campaigns of diamond-drilling are commencing on Kaw-Crow and Winoga properties and operations will commence at an early date on Gateway Patricia. . . . We have prepared a limited number of large maps of the Pickle Lake-Crow River area, showing all active operations—a copy of which will be forwarded on request.
ALL THREE OPERATIONS ARE UNDER THE DIRECTION OF REGINALD E. HORE.
H. R. BAIN & COMPANY, LIMITED
Underwriters of Canadian Mining Issues
Bain Building, 304 Bay Street, Toronto ADelaide 4271
KAW-CROW PATRICIA GOLD MINES, LIMITED
(No Personal Liability)
The company controls 65 claims in the Pickle Lake-Crow River Area, partially adjoining Pickle Crow Gold Mines Limited and Winoga Patricia Gold Mines on the east and Albany River Gold Mines on the northeast. Camps have been erected a contract for diamond-drilling awarded, and also for an electrical survey.
CAPITALIZATION
Authorized Capital .... 3,000,000 shares (Par Value $1 each)
Issued for Properties .... 800,000 shares
Recent Issue .... 700,000 shares
In Treasury .... 1,500,000 shares
OFFICERS AND DIRECTORS
President, Managing Director—Reginald E. Hore
Secretary-Treasurer — Corporation Management and Executives Ltd.
David Gross, Kitchener; D. H. Porter, Toronto; G. M. Fleming, Toronto; D. A. Chadwick, Toronto.
SOLICITORS Fennell, Porter & Davis, Toronto
REGISTRAR, TRANSFER AGENT Chartered Trust and Executor Co.
AUDITORS George A. Touche & Company
HEAD OFFICE—Bain Building, 304 Bay Street, Toronto, Ont.
WINOGA PATRICIA GOLD MINES, LIMITED
(No Personal Liability)
Controlling 472 acres adjoining Pickle Crow Gold Mines for one mile on the east; also adjoins Kaw-Crow Patricia on the west and Albany River Gold Mines on the northwest. Diamond-drilling is now in progress. An electrical survey is also being made.
CAPITALIZATION
Authorized .... 3,000,000 shares ($1 par value)
Remaining in Treasury .... 1,000,000 shares
OFFICERS AND DIRECTORS
President, Managing Director—Reginald E. Hore
Secretary-Treasurer — Corporation Management and Executives Ltd.
David Gross, Kitchener; D. H. Porter, Toronto; G. M. Fleming, Toronto; D. A. Chadwick, Toronto.
SOLICITORS Fennell, Porter & Davis, Toronto
REGISTRAR, TRANSFER AGENT Chartered Trust and Executor Co.
AUDITORS George A. Touche & Company
HEAD OFFICE—Bain Building, 304 Bay Street, Toronto, Ont.
GATEWAY PATRICIA GOLD MINES, LIMITED
(No Personal Liability)
The company controls 27 claims (approx. 1,080 acres) adjoining and directly west of the property of Central Patricia Gold Mines Limited. On the projected line of strike of the Central Patricia main ore bodies, Gateway Patricia has a length of one mile. It is planned to carry on thorough exploration for ore bodies by surface work and diamond-drilling under the direction of R. E. Hore, Managing Director.
CAPITALIZATION
Authorized .... 3,000,000 shares ($1 par value)
Issued for Properties .... 800,000 shares
OFFICERS AND DIRECTORS
President, Managing Director—Reginald E. Hore
Secretary-Treasurer — Corporation Management and Executives Ltd.
David Gross, Kitchener; D. H. Porter, Toronto; J. Maitland MacIntosh, Toronto; D. A. Chadwick, Toronto.
SOLICITORS Fennell, Porter & Davis, Toronto
REGISTRAR, TRANSFER AGENT Chartered Trust and Executor Co.
AUDITORS George A. Touche & Company
HEAD OFFICE—Bain Building, 304 Bay Street, Toronto, Ont.
The public will be given an opportunity to participate in an issue of the shares of this company at an early date
THE ABOVE BAIN-SPONSORED PROPERTIES REPRESENT A MAJOR SEARCH FOR ORE OVER A TOTAL AREA OF SIX SQUARE MILES

Noranda Earns Highest Profit In Its History

Working Capital Amounts to Over $9.5 Millions

ORE RESERVES UP

Higher metal recoveries and lower provision for depreciation enabled Noranda Mines to increase its profits in 1935 by almost $1 million over 1934. Despite higher costs of production, increased administration expenses, larger provision for taxes and lower miscellaneous income, the company reports the highest profits in its history, earnings amounting to $2.63 a share. This compares with $2.19 a share in 1934.

While working capital declined slightly, the company continues to enjoy an exceptionally strong liquid position. Current assets exceed current liabilities by $9.5 millions. Cash is shown at $3.4 millions, marketable stocks and bonds at $3 millions and refinery settlements and metals on hand at $5.6 millions.

A new item appearing in the balance sheet is the advance of $1.9 millions to the company's subsidiary, Canadian Copper Refineries Ltd. This consists of $258,359 loaned for the erection of a selenium and tellurium plant and $1,657,466 advanced toward redemption of Canadian Copper Refineries' funded debt.

Minewise the company enjoys the strongest position in its history, ore reserves increasing during the year to over 31 million tons. Details of ore reserves are as follows:

Ore Reserves

	Tons	Copper %	Oz. Gold per ton
Sulphide Ore over 4% copper	7,323,000	7.54	0.174
Sulphide ore under 4% copper	20,457,000	0.99	0.190
Silicious flux. ore	3,239,000	0.73	0.137

During the year the company's smelter and concentrator treated 1,906,661 tons of ore, an increase of 7¼ per cent over 1934. Production during the year from 1,076,232 tons of ore and concentrate treated in the smelter was 74,478,432 lb. of fine copper, 268,333 ozs. of gold and 544,559 ozs. of silver.

Development of the company's power rights on the Upper Ottawa River is to be proceeded with, the report indicates. A very extensive survey has been completed by the company's subsidiary, Noranda Power Co., and plans and specifications are being prepared preparatory to calling for tenders for construction.

Income and Surplus Account
Years Ended December 31

	1935 $	1934 $
Metal recoveries* ...	14,741,960	12,887,333
Less: Cost of prod. ..	6,937,499	6,504,023
Admin. & gen. exp.	259,126	206,110
Res. for taxes ...	967,041	507,939
Sundry taxes, etc. .	78,585	......
Net oper. earns.	6,499,709	5,579,261
Add: Other income ...	318,909	516,121
Total income	6,818,618	6,095,382
Less: Depreciation ...	831,058	1,116,008
Out. explor. w/o ..	85,947	64,099
Net profit	5,901,613	4,915,275
Less: Dividends	4,479,544	4,479,544
Surplus for year	1,422,069	435,731
Add: Prev. surplus ..	7,667,224	7,227,574
Oper. res., not req.	223,405	......
Selenium & tellurium recov., pr. yr.	255,376	......
Trans. from res. for invest. & conting. .	100,000	......
Adjust. gold invent. less tax	......	703,919
Less: Res. for invent. other cos.	300,000	......
Invest. in other cos. w/o	......	700,000
Inc. tax adjust. ...	33,210	......
Surplus forward	9,328,764	7,667,224

*After deduction of Dominion gold tax amounting to $360,883 for 1935 and $511,666 for 1934.

Working Capital

	1935 $	1934 $
Current assets	12,494,161	11,036,740
Current liabilities	2,975,263	1,377,774
Working capital	9,518,898	9,658,966

Wingold Ore At $160,000

Estimate Entails Proven Tonnage Only — Drill Property

From Our Own Correspondent

WINNIPEG.—Wingold Mines in a statement just released by C. G. K. Nourse, president, reports proven tonnage of ore worth $160,000. A drilling programme is now being carried out and the directors feel it will give them valuable information when taken in conjunction with the 200-ft. shaft already put down. Five surface showings are being tested and work will be concentrated on what appears to be the most promising.

Scattergood Finances

Scattergood Gold Mines is financed also for a diamond drilling campaign and the drills are already working. A minimum of 3,000 ft. will be done. A Chicago syndicate did the financing and has engaged W. B. Roe, geologist, to supervise the work.

One of the larger operations being undertaken is Bisset Gold Mines, adjoining San Antonio. An eastern syndicate is financing this and under the general direction of Percy Hopkins, Dr. W. C. L. Greer is now on the ground, spotting drill holes and generally superintending the work.

A recent interesting event was the purchase by a local syndicate of a block of stock of Central Manitoba, which has been held by the National Trust Co. for an obligation incurred by the W.A.D. syndicate. More than a quarter of a million shares were involved in the transaction and Central Manitoba's treasury was enriched by $43,000. The money will enable the company to maintain its cash reserves and at the same time finance the sinking of a shaft on the Hope property.

NORTHERN CANADA MINING CORPORATION, LIMITED
Invests in Canadian Mines and Mining Properties
68 King St. East, Toronto, Can.

Gold Mines of Ontario Have Fine '35 Record

Value of Gold Production Exceeds $75 Millions—Ontario Aids Figure

Ontario's individual gold producers had an extremely satisfactory year in 1935, as shown in the analysis below, based on official figures from the Ontario Department of Mines.

The total value of gold production for the year amounted to $75,915,811, in Canadian funds, a record for all time. 1934 gold production was $70,966,914. In addition to the production from gold mines, Ontario has a considerable gold output from nickel-copper and in cobalt ores. Gold from these sources adds another $2,435,129 to the total value.

Northwest's Record

Undoubtedly one of the biggest features of the year was the increased production from northwestern Ontario fields, where there were several new producers.

In all, 57 companies reported production during the year, as compared with 45 mines in 1934. In addition to the companies whose production is analyzed in the tables below, the following mines reported production in 1935; Concordia, Gillies Lake, McLaren Porcupine, Munro Croesus, Naybob, Argonaut, Miller Independence, Moffat-Hall, S. Payne, Halcrow Swayze, Algoma Summit, MacAuer, Minto, S. B. Smith, Afton, Harkness Hayes, Dikdik, North Shores, Clark Gold, Duport, Kenora Prospectors & Miners, Vermillion, Red Crest, and Sol D'Or.

The following tables, based on government figures, show the production record of the major mines in 1935, the value being shown in Canadian funds:

Porcupine

Anglo-Huronian (Vipond)

	4th quar. 1935	12 mos. 1935
Total recovery, $	114,427	418,962
Tons milled	25,892	106,393
Rec. per ton, $	4.42	3.94
Tons daily	281	291

Buffalo-Ankerite

	4th quar. 1935	12 mos. 1935
Total recovery, $	310,532	1,035,987
Tons milled	45,867	159,383
Rec. per ton, $	6.77	6.50
Tons daily	498	437

Coniaurum

	4th quar. 1935	12 mos. 1935
Total recovery, $	315,240	1,134,596
Tons milled	41,150	151,055
Rec. per ton, $	7.66	7.51
Tons daily	447	414

Dome

	4th quar. 1935	12 mos. 1935
Total recovery, $	1,807,222	7,286,606
Tons milled	137,700	549,100
Rec. per ton, $	13.12	13.27
Tons daily	1,496	1,504

Hollinger

	4th quar. 1935	12 mos. 1935
Total recovery, $	4,143,828	7,286,606
Tons milled	463,718	1,837,153
Rec. per ton, $	8.93	8.00
Tons daily	5,040	5,033

Marbuan

	4th quar. 1935	12 mos. 1935
Total recovery, $	87,087	290,542
Tons milled	16,158	59,380
Rec. per ton, $	5.39	4.89
Tons daily	176	163

McIntyre

	4th quar. 1935	12 mos. 1935
Total recovery, $	2,479,157	8,653,496
Tons milled	145,700	793,600
Rec. per ton, $	17.01	10.90
Tons daily	1,584	2,174

Paymaster

	4th quar. 1935	12 mos. 1935
Total recovery, $	180,955	567,076
Tons milled	26,618	79,845
Rec. per ton, $	6.80	7.10
Tons daily	289	219

Kirkland Lake

Barry-Hollinger

	4th quar. 1935	12 mos. 1935
Total recovery, $	20,593	143,698
Tons milled	9,120	35,172
Rec. per ton, $	2.26	4.08
Tons daily	99	96

Bidgood-Kirkland

	4th quar. 1935	12 mos. 1935
Total recovery, $	22,770	43,871
Tons milled	5,668	11,148
Rec. per ton, $	4.02	3.94
Tons daily	62	30

Kirkland Lake Gold

	4th quar. 1935	12 mos. 1935
Total recovery, $	205,826	777,420
Tons milled	19,972	71,920
Rec. per ton, $	10.31	10.81
Tons daily	217	197

Lake Shore

	4th quar. 1935	12 mos. 1935
Total recovery, $	4,127,310	16,259,721
Tons milled	213,965	836,322
Rec. per ton, $	19.29	19.44
Tons daily	2,325	2,291

Macassa

	4th quar. 1935	12 mos. 1935
Total recovery, $	297,552	1,067,196
Tons milled	17,881	68,627
Rec. per ton, $	16.64	15.55
Tons daily	194	188

Sylvanite

	4th quar. 1935	12 mos. 1935
Total recovery $	502,000	1,917,606
Tons milled	38,349	152,281
Rec. per ton, $	13.09	12.59
Tons daily	417	417

Teck-Hughes*

	4th quar. 1935	12 mos. 1935
Total recovery, $	1,251,867	4,901,862
Tons milled	101,073	417,917
Rec. per ton, $	12.39	11.73
Tons daily	1,098	1,145

*Includes tailings.

Toburn

	4th quar. 1935	12 mos. 1935
Total recovery, $	189,892	714,261
Tons milled	8,735	35,360
Rec. per ton, $	21.74	20.20
Tons daily	95	96

Wright-Hargreaves

	4th quar. 1935	12 mos. 1935
Total recovery, $	1,929,867	7,528,563
Tons milled	96,887	361,149
Rec. per ton, $	19.92	20.85
Tons daily	1,053	989

Matachewan

Ashley

	4th quar. 1935	12 mos. 1935
Total recovery, $	128,415	440,531
Tons milled	13,004	47,366
Rec. per ton, $	9.87	9.30
Tons daily	141	130

Matchewan Consol.

	4th quar. 1935	12 mos. 1935
Total recovery, $	104,471	356,818
Tons milled	13,417	48,362
Rec. per ton, $	7.79	7.38
Tons daily	145	132

Young Davidson

	4th quar. 1935	12 mos. 1935
Total recovery $	237,938	713,380
Tons milled	67,663	229,793
Rec. per ton, $	3.52	3.10
Tons daily	735	630

Sudbury

McMillan

	4th quar. 1935	12 mos. 1935
Total recovery, $	38,388	269,002
Tons milled	11,924	40,213
Rec. per ton, $	3.22	6.69
Tons daily	129	110

Algoma

Darwin*

	4th quar. 1935	12 mos. 1935
Total recovery, $	......	17,750
Tons milled	......	2,103
Rec. per ton, $	......	8.44
Tons daily	......	37

*Mill started November 4.

Northern Empire

	4th quar. 1935	12 mos. 1935
Total recovery, $	213,370	645,296
Tons milled	13,194	45,736
Rec. per ton, $	16.17	14.10
Tons per day	143	125

Parkhill

	4th quar. 1935	12 mos. 1935
Total recovery, $	75,634	338,388
Tons milled	5,281	20,871
Rec. per ton, $	14.32	16.21
Tons daily	57	57

Thunder Bay

Ardeen*

	4th quar. 1935	12 mos. 1935
Total recovery, $	22,406	32,531
Tons milled	4,779	5,884
Rec. per ton, $	4.69	5.33

*Mill closed Jan. to November.

Little Long Lac

	4th quar. 1935	12 mos. 1935
Total recovery, $ ...	334,273	1,106,269
Tons milled	17,990	62,073
Rec. per ton, $	18.58	17.85
Tons daily	195	170

St. Anthony*

	4th quar. 1935	12 mos. 1935
Total recovery, $	119,838	303,152
Tons milled	10,978	44,550
Rec. per ton, $	10.92	6.81
Tons daily	119	122

*Includes tailings.

Tashota

	4th quar. 1935	12 mos. 1935
Total recovery, $	45,021	76,534
Tons milled	5,243	12,827
Rec. per ton, $	8.59	5.97
Tons daily	57	35

Patricia

Central Patricia

	4th quar. 1935	12 mos. 1935
Total recovery, $	277,275	777,570
Tons milled	11,232	35,192
Rec. per ton, $	24.69	22.09
Tons daily	122	96

Howey

	4th quar. 1935	12 mos. 1935
Total recovery, $	347,348	1,332,950
Tons milled	131,368	484,966
Rec. per ton, $	2.64	2.75
Tons daily	1,428	1,329

J. M. Consolidated*

	1st quar.
Total recovery, $	12,851
Tons milled	1,381
Rec. per ton, $	9.30

*Mill suspended March, 1935, pending new mill.

McKenzie Red Lake

	4th quar. 1935	12 mos. 1935
Total recovery, $	179,038	533,223
Tons milled	11,712	36,117
Rec. per ton, $	15.29	14.76
Tons daily	127	99

Pickle Crow*

	4th quar. 1935	12 mos. 1935
Total recovery, $	355,712	878,745
Tons milled	13,801	37,277
Rec. per ton, $	25.77	23.57

*Mill started April.

WE MAINTAIN ACTIVE TRADING DEPARTMENTS SPECIALIZING IN LISTED AND UNLISTED CANADIAN MINING AND INDUSTRIAL SECURITIES.

Our statistical staff would be pleased to answer inquiries regarding all classes of securities.

F. J. CRAWFORD & CO.
Members
Toronto Stock Exchange
Winnipeg Grain Exchange
Canadian Commodity Exchange Inc.
11 Jordan St. - Toronto
ELgin 2201

Brengold Ready To Work Casey

From Our Own Correspondent

SUDBURY — Reorganization of Brengold Mines, succeeding Casey Contact Mines, is now reported practically completed, and the expectation is the property in the Sturgeon River area will be reopened shortly. It is understood the first payment under the company's option agreement with New York interests has been made.

Brengold, besides controlling the Casey Contact, also holds property in Patricia district, immediately adjoining the Argosy.

Drift at Big Master Advancing in Ore

Big Master Consolidated Mines, with property in the Wabigoon area of Ontario, reports that the North drift from the 350-ft. level has been advanced a distance of 170 ft. along the foot-wall side of the No. 3 vein, which in the upper levels yielded ore grading 7 oz. in gold.

In a short crosscut east from the drift to intersect a hanging-wall vein, considerable free gold showing in the fact of the crosscut in the last round is reported by E. A Boadway, engineer in charge.

Work on the north section of Big Master is being financed by Murwood Gold Mines under an option agreement covering eight claims of the total 33 claims owned by Big Master.

Drilling Cheers Fox Gold Mines

Report Indications of Platinum and Gold at Shakespeare

From Our Own Correspondent

SUDBURY.—Three diamond drill holes, totalling about 600 ft., have been competed by Fox Lake Gold Mines, on its property in Shakespeare Twp., about eight miles from Webbwood. W. L. Adams, president and general manager, states that some encouraging indications of platinum metals and gold were secured. Further sampling is being done. The claims, nine in number, were formerly held by J. B. Spellman and Chas. Belisle.

At its West River holdings, Fox Lake Mines recently completed a drill hole, at an angle of 70 degrees, to a vertical depth of 300 ft., a mineralized area about 60 ft. wide being intersected. Sampling by sections is said to have given an average of $6 to the ton in gold. Drilling will be continued, Mr. Adams states, in order to ascertain a suitable site for the sinking of a shaft this spring or early summer.

Financing plans now under way are expected to place Fox Lake in a position to continue development work, E. A. Siegrist & Co., of London, have underwritten a block of stock and it is understood the programme provides for retirement of the small indebtedness and to ensure $150,000 for working capital,

Mining Enquiries

Sapawe Lake Gold

Has the stock of Sapawe Lake Gold Mining Co. any market value? If so, what is the value of the stock?

Sapawe Lake Gold Mining Co. held property 130 miles West of Fort William, Ontario. This company has not replied to recent requests for information, and it is assumed that it is dormant. There is no market for the stock at the present time.

Norlake Mining Corp.

Could you supply me with information regarding Norlake Mining Corp.? What has this company in the way of properties, etc?

Norlake Mining Corp. has centred its interest on some claims in the Chibougamau district of Quebec. This property's outlook has been enhanced by the fact that recently American Smelting and Refining Corp. became interested and have entered into an agreement to work the property. In addition to the Chibougamau property, the company owns what is known as the Bourbeau property in Quebec, which is being worked by Norlake. Under present circumstances, this stock is a speculation of definite attraction.

Opemiska Copper Mines

Is Opemiska Copper a hold?

Opemiska Copper Mines is a subsidiary of Ventures. The property is a copper-gold prospect of approximately 3,000 acres in Levy Township, Opemiska area of Quebec. Until recently, development work had been confined to surface work drilling, and a geological survey. Recently, however, the company announced its intention of sinking a three-compartment shaft to 150 ft. at which depth lateral work will be carried on. In 1933, officials reported ore bodies exposed at that date indicated possibilities of production at 300 tons daily, the ore averaging eight per cent copper, 0.1 oz. in gold and one oz. silver per ton.

Kirkland Premier

I find among some possessions shares in Kirkland Premier Gold Mines. Are these worth anything?

Kirkland Premier Mines was succeeded in 1933 by Kirkland Gold Rand, shareholders to receive one new for three old shares. The address of Kirkland Premier is c/o Dr. A. Marechal de Carteret, secretary, 407 McGill St., Montreal, Quebec. The property now being developed by Kirkland Gold Rand is about 1,000 ft. southeast of Lake Shore. The former operators sunk a shaft to 800 ft. and a second shaft to 450 ft., and did a considerable amount of diamond drilling below the 800 ft. level. Results of this drilling were inconclusive, and the property remains today a speculation.

Perron Gold Mines

I hold some stock in Perron Gold Mines, and was wondering if I should sell them or hold on for possible enhancement.

Perron Gold Mines, after a well-handled programme of development work, is currently tuning-in a 125-ton mill. Officials inform us that recent ore developments have been so satisfactory that a second unit of 125 tons a day may be added some time in 1936. The ore is expected to average around $13.50 per ton, with cost of approximately $8 a ton. Ore reserves have been estimated at 200,000 tons. The company has an authorized capitalization of two million shares, all of which have been issued.

Goldale Mines Ltd. Improves Position

Reports Profit of $23,124 For Two Years Ended Dec. 31, 1935

Goldale Mines reports a net profit of $23,124 for the two years ended Dec. 31 last. In addition, however, the company realized $119,225 on the sale of shares in other companies in excess of the cost or book value.

Investments in other mining companies as at Dec. 31 last are carried at a book value of $304,054, which is $145,736 lower than the market value. Included in the company's holdings are 59,484 shares of Confaurum Mines. These are carried at a book value of $23,793 while the market value at the end of 1935 was $110,640. During the past 2½ months this investment has shown further appreciation and now has a market value of $129,870.

Current assets amount to $97,478, consisting of cash of $93,478 and dividends receivable of $3,550.

Income and Deficit Account

	Two years ended Dec. 31, 1935 $	Three years ended Dec. 31, 1933 $
Dividends earned	29,765	11,898
Interest	3,020	4,774
	32,785	16,672
Less: Prospect. exps. .	3,707	......
Administrative exp.	5,094	4,041
Directors' fees & exps.	285	386
Taxes on properties	505	1,616
Ont. Corp. taxes ...	70	100
Profit for period ...	23,124	10,529
Less: Deficit forward	1,377,772	569,498
D. of C. inc. taxes for 1933	300	......
Toronto 1934 inc. tax	253	......
Mining props. w/o .	......	800,000
Def. exps. at Jan. 1/31:		
Organization	......	2,547
General	......	10,535
Taxes	......	14,711
Add: Profit on sale of shares	119,225	8,990
Deficit forward	1,235,976	1,377,772

Working Capital

	1935 $	1933 $
Current assets	97,028	59,443
Current liabilities ...	1,212	762
Working capital	95,816	58,681

Bralorne Mines Pays Dividend

Quarterly Payment Plus Extra to be Paid April 15

From Our Own Correspondent

Vancouver.—Bralorne Mines, Ltd., which suspended dividends soon after the labor troubles in the Bridge River district last spring, has resumed payment on a quarterly basis of ten cents a share. In addition, an extra payment of five cents a share is to be made. Both disbursements are payable April 15 to shareholders of record March 31. When dividends were originally declared on April 16, 1934, the rate was 12½ cents a share.

Resumption of dividend payments bears out the recent prediction in The Financial Post. Last September, Ira B. Joralemon, San Francisco consulting engineer, recommended reserves of 500,000 tons of indicated ore be built up, and a cash reserve of $1,000,000 created before dividends should be resumed, and directors have had this objective in mind ever since. Announcement of the dividend indicates that the goal has been attained.

1935 Production Up

The Bralorne mill has recently been operating on a 450-ton basis, the capacity having been gradually increased from 200 tons when it was built in 1932. The value of recovery in 1933 was $736,947; in 1934, $1,580,324; in 1935, $1,648,010. Recovery per ton last year was $11.35.

Chief factor in suspension of dividend distribution was the encountering of a large streak of low-grade ore, but later operations picked up a much better grade, and this has given the whole outlook a considerably brighter hue.

Player's Please
IT'S THE TOBACCO THAT COUNTS—
IN PLAYER'S YOU GET Vintage TOBACCO
20 FOR 25¢
CORK TIP OR PLAIN
PLAYER'S NAVY CUT CIGARETTES "MEDIUM"
John Player & Sons

MINING AND INDUSTRIAL STOCKS

We would be pleased to execute orders or furnish information on all mining, oil and industrial stocks.

G. W. NICHOLSON & CO.
Members The Toronto Stock Exchange
302 BAY ST. - TORONTO
Telephone Elgin 5317

J. R. STRATTON L. W. HOPKINS H. A. HUTSON

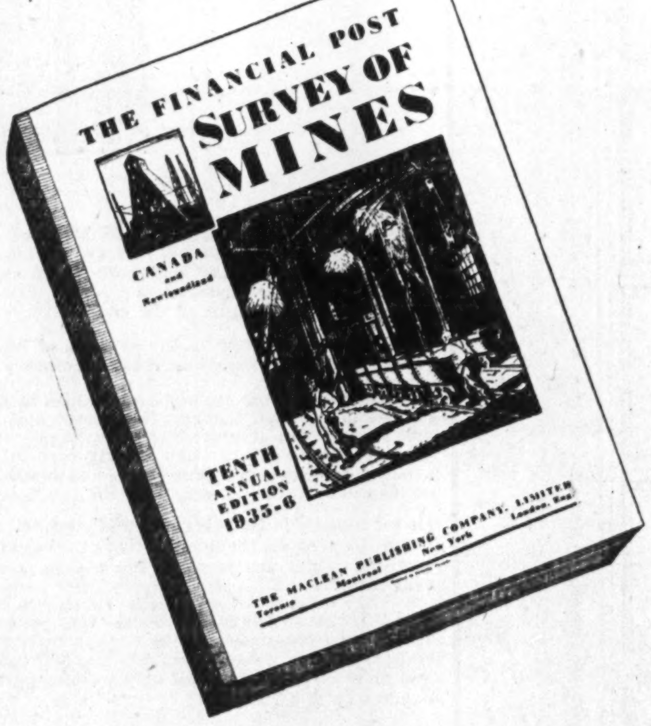
Stratton, Hopkins & Hutson
MEMBERS:
THE TORONTO STOCK EXCHANGE
WINNIPEG GRAIN EXCHANGE
Inquiries invited on all Canadian Mining and Industrial Stocks
22 King Street W. WAverley 6090 Toronto

J. E. GRASETT & CO.
Members The Toronto Stock Exchange
302 Bay St., Toronto
WAVERLEY 4781

Branch Office:
2822 Dundas St. at Heintzman Ave. JU. 1167

5,000 Mining Companies in Canada and Newfoundland are Covered in this 1935-6 Edition of

THE FINANCIAL POST
SURVEY OF MINES


THE FINANCIAL POST SURVEY OF MINES
CANADA and Newfoundland
TENTH ANNUAL EDITION 1935-6
THE MACLEAN PUBLISHING COMPANY, LIMITED

EVERYONE interested in the mining industry, whether as operator, mine executive, financier or shareholder, will find this book of great value. The Survey of Mines is the only complete record of mining activities in Canada available in permanent form.

On PRODUCING MINES, a full record of Production, Costs, Earnings, Dividends, Financial Structure, Personnel and Directorate will be given.

MINES UNDER DEVELOPMENT will be fully covered with present status of operations, together with names of all officers and directors.

A section on DEAD and DORMANT companies will be an important new feature in this edition. Over 3,000 companies, some dead for 30 or 40 years, other just recently inactive, will be covered in this comprehensive and dependable compilation.

Special features will include maps of the newest mining areas, in addition to maps of established camps; a complete coverage of the new companies, with details where names have been changed.

The Canadian mining industry has become so important a part of the general economic and business picture that new, up-to-the-minute information is indispensable. If you are interested in the mines or mining investments, it will pay you to get a copy of this book while the information in it is up to date.

DO NOT DELAY. If you have not already placed your order, send it in NOW and avoid disappointment.

Fill in the coupon below and return it along with payment for the copies you require.

Over 350 Pages
12" x 9"
$2 a Copy
(Special low rates for 20 or more copies)

THE FINANCIAL POST,
481 University Avenue,
Toronto 2, Canada.

Please send me postpaid.............. copies of The Financial Post Survey of Mines, New 1935-6 Edition.

Enclosed is $............ in payment.

Name ....Street or Box ....

City ....Province 652

Human Salvage Plant —

"Rehabilitation Clinic" of Ontario Workmen's Compensation Board Saving Morale and Money

Accident Toll Rises

Rising employment and acceleration in the pace of industrial activity are bringing an increase in industrial accidents. The February total of 4,428 cases reported to the Ontario Workmen's Compensation Board was only a small rise over the January total, but fatal accidents, numbering 31, were almost double those of the preceding month.

Benefits awarded in February totalled $438,335 of which $346,914 was for compensation and $91,421 for medical services.

Costs of industrial accidents are borne by industry itself, through assessments under the Workmen's Compensation Act. As business activity rises, there will probably be a mounting toll of industrial casualties, but the accompanying article reveals the steps being taking to reduce this annual financial drain and its accompanying loss of productive labor.

Ontario's "Rehabilitation Clinic" is in reality a human salvage shop where injured men are speeded on their return to health, morale and full productive capacity, and the costs of their convalescence reduced to a minimum.

By THOMAS C. THOMPSON

How much does it cost to kill a window cleaner?

What is the price of a brick-layer's broken leg, a steel worker's fractured collar-bone, or a mechanic's smashed hand?

It sounds cold-blooded, but a price list actually exists, and the scheduled rates are being paid daily. They are all tabulated—not in the quotations of Chicago gunmen—but in the eminently respectable records of the Ontario Workmen's Compensation Board.

Every workman who is incapacitated, whose labor is lost, and who becomes either a temporary or permanent liability through injuries received in the course of his work, costs money.

Employers of industrial labor pay the medical and maintenance cost of these men through Workmen's Compensation Act assessments in proportion to the rated accident toll in individual plants and industries.

For those who foot the bill, there is little comfort in the knowledge that the rising trend of industrial activity in Canada will probably bring with it a mounting total of industrial accidents, and a rising cost to employers. But the Compensation Board has a cost-cutting machine that is doing much to aid industry in meeting costs of industrial accidents.

Rehabilitation Clinic

This brake on the potential rise in cost of brick-layers' legs and mechanics' hands lies in a prosaic paragraph under the heading of "Rehabilitation" in the Workmen's Compensation Act, Ontario. It reads:

> "To aid in getting injured workmen back to work, and to assist in lessening or removing any handicaps resulting from their injuries, the Board may take such measures as it may deem necessary or expedient . . . ."

The measures, are taken in the "rehabilitation clinic" in the Canada Life Building, Toronto.

Dr. Harold Storms, medical director of the clinic, is a believer in physiotherapy treatment. Another word for it is "remedial gymnastics," but it means the same thing and has the same object of returning injured men to a useful place in industry as rapidly as possibie.

The clinic has proved outstandingly successful. It has a double purpose; as a cost-cutting machine for industry, and as a medical institution for restoring men to their normal occupations quickly, to strengthen broken and sprained limbs, and equally important—to strengthen the convalescent morale of injured men who otherwise might never regain their former capacity for useful work.

Injured Men Aided

Artificial eyes, limbs and corrective appliances are supplied, for example, and kept in repair for a year. By special arrangements and subsidies, the Compensation Board may arrange with employers to re-employ injured men on different or lighter work. Compensation Board officials may also make possible a man's re-employment by arranging for part-time employment until he has recovered his former strength and skill. When these arrangements are not possible, adequate pension grants may be given to rehabilitate the workman economically.

Properly, the clinic may be called a human repair shop. Through it men are returned to their normal occupations, and the cost of their maintenance under compensation cut to a minimum. Treatments are given at far lower cost than is possible in a large hospital, and an individual treatment costing 75 cents at the clinic, would, it is estimated, cost around $2 in a hospital.

On the economic side of the picture, it is interesting to note that while the clinic operates daily at capacity, with between 35 and 40 cases, costs could be still further reduced if space accommodation permitted handling twice as many cases.

Economic—and Humane

There is the equally important factor of the restoration of health and morale among injured Canadian workers.

"Victims of non-fatal industrial accidents present much the same problem as returned soldiers in the post-war period," says Dr. Storms.

"Suffering from disabilities of varying severity, many of them are unable to resume work for long periods, and are a burden to themselves and to industry in the meantime. Aside from the humanitarian aspects of the problem, a heavy toll is levied yearly in compensation and medical fees.

"Rehabilitation of these men, and shortening of the period of disability, is now recognized as an important phase in the general campaign against accidents. Prevention work is not perfect, unfortunately, and when accidents do happen, the most serious part of the campaign has really only begun.

"The board's clinic in Toronto is devoted entirely to the work of rehabilitating these cases," Dr. Storms says. "Where disabilities remain after the surgeon in a case has completed his efforts, the clinic steps in, attempting, with a great deal of success in many cases, to remove or lessen the disabilities so that the man may return to work."

Many men have been able to return to work or to some form of light labor well in advance of normal expectations, but a few cases which appear likely to become permanent disabilities have also been greatly improved by the physiotherapeutic treatments.

Technically Equipped

As patients arrive, they are treated in a special whirl-pool bath. Massage, another part of the treatment, is given by one of a staff of trained aides. A large wheel attached vertically to the wall is also used for limbering up shoulders, and other devices are also used with good effect.

These include a series of parallel bars, one above the other, on which the patient exercises. There is electric equipment for use on stiff knee-joints and electrical machines are used to test muscles and muscular reaction. A stationary bicycle is used as well as a rowing machine for restoring injured muscles, with special devices for treating the after-effects of injured hands and fingers.

Before the clinic was created—and it is now the model for similar but privately sponsored institutions planned in other Ontario cities—injured workmen were treated at home or in hospital at the expense of the Compensation Board They either returned directly to industry for light duty or were allowed to remain in idleness until they recovered sufficiently to take up their former heavy-duty tasks.

In that interval, their morale frequently became shattered. Or if it did not, they attempted work of a nature that speedily returned them to hospital for further treatments—again at the cost of the Board and the industry which previously employed them.

Scientific Treatment

The clinic changed all that. An injured man continues to receive surgical and other treatment from his own doctor or in hospital, and if afterward he can return to work immediately, the compensation cost stops and he also loses neither money, physical capacity, or morale through idleness

But if his injuries prevent a quick return to heavy work he goes to the clinic. There he receives scientific and massage treatment and "remedial gymnastics." He rebuilds his health, strengthens his muscles and morale and—in short—goes back to his job in half the time that would otherwise elapse.

"We are attempting to bridge the gap between surgical treatment and the time the man is fit to return to full-time work," says Dr. Storms. The clinic is thus automatically cutting the cost of maintaining men in semi-invalidism and idleness.

"We cannot, for example, send a coal-heaver back to his job with a back only partially recovered from injury," Dr. Storms explains. "If we did, he would soon be incapacitated again: We must provide occupational work in the interval."

An occupational therapy department may eventually be developed out of the existing clinic and provide occupational work of a type to which the patient has formerly been accustomed. This treatment, it is explained, further hastens the man's return to his normal heavy-duty occupation.

Employers Can Aid Selves

By making a place in their plants for men able to resume light work, employers can aid in reducing costs of industrial accidents, clinic officials state

When light labor or part-time jobs are arranged for men passed by the board as fit for light duty, the men maintain contact with work with which they are familiar, and meanwhile cost of their compensation has ceased. The employer in turn is paying wages for something he cannot secure under compensation payment—the services of his employee.

Collectively, this co-operation by employers will go far toward reducing the cost of compensation to industry in general, says Dr. D. E. Bell, chief medical examiner of the Board, who with Dr. Storms, clinic director, supervises operations of the organization.

Are there cases of malingering by men who want to prolong the "compensation" period?

"The great majority of cases under the Workmen's Compensation Act are genuine," says Dr. Storms. "The few who have tried to pretend 'injuries' in the hope of continuing to receive compensation have, for the most part, been quickly exposed when they visited the clinic."

"Some disabilities, however, may be found to be more mental than physical, but these seldom fail to respond to the spirit of helpfulness obtaining at the clinic. The aides are taught to display sympathy to patients, and the latter soon begin to take an interest in working toward their own recovery."

Paying Its Way

Is the clinic paying its way?

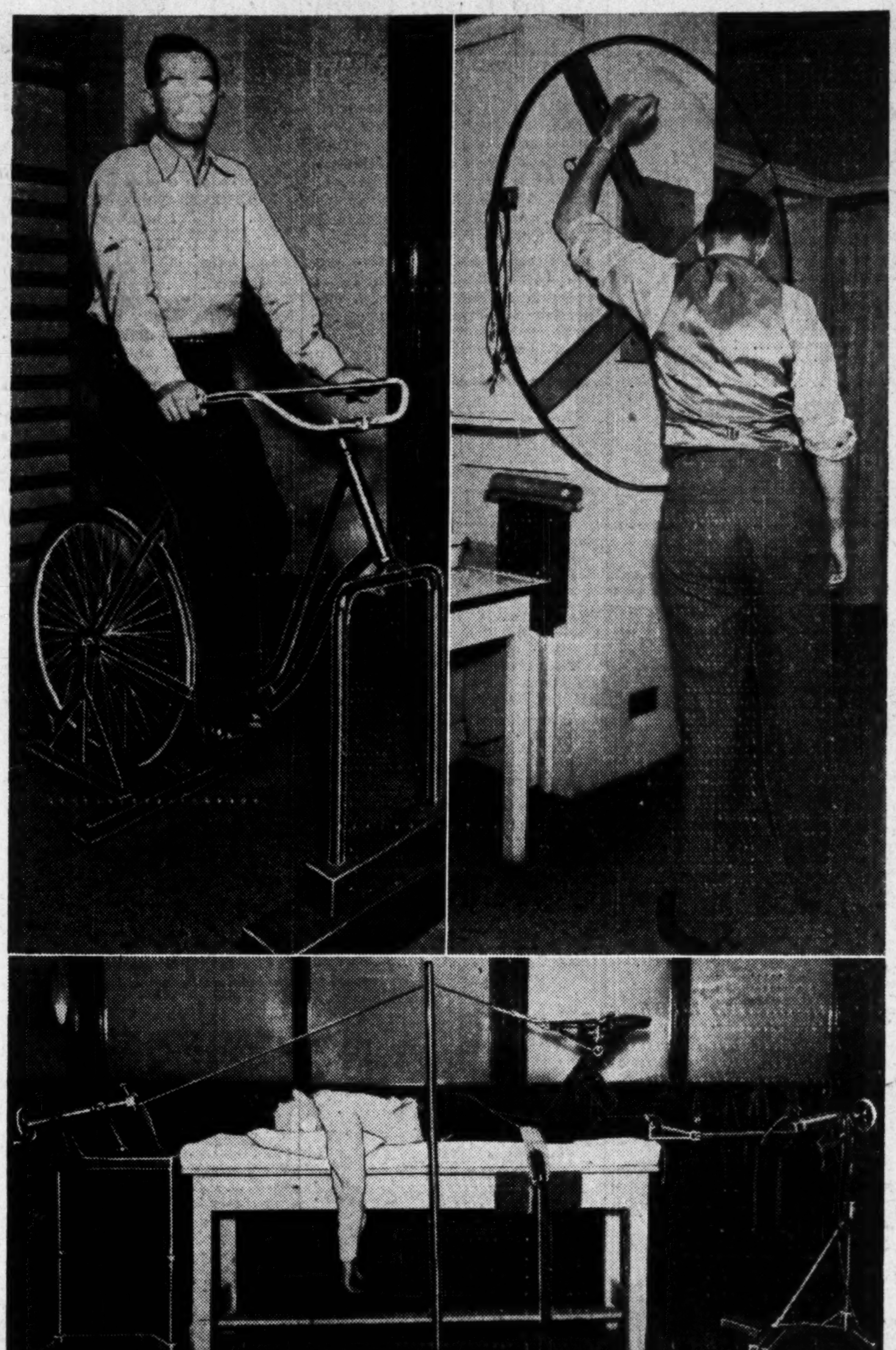
The answer is, it is not only paying its way, but saving many thousands of dollars to industry in the form of reduced compensation payments.

The work of the clinic in a medical humanitarian sense cannot be valued in terms of dollars, but from its files comes ample evidence that it is cutting the economic waste of housing, feeding and medically treating the casualties of business and industry.

Cost figures compiled by the clinic show that extensive treatment of injuries and other disabilities following surgical treatments are in almost every instance under $100 per case, and more often under $50.

The cost of killing window cleaners, repairing broken legs, arms and strengthening torn muscles is being held down through the work of the clinic. Coupled with accident prevention efforts by various groups, it constitutes the most important brake to date on wastage of human lives and money in Ontario industry.

Cutting the Cost of Industrial Accidents



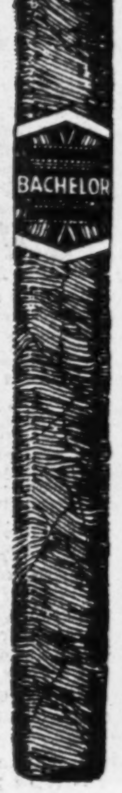
Above are shown various types of appliances used in the Ontario Workmen's Compensation Board's "Rehabilitation Clinic" in Toronto. Upper left, is the stationary bicycle, for use in exercising muscles of the legs and thighs of patients recovering from industrial injuries, while upper right shows the "wheel," turned by the patient to gradually strengthen shoulders and arms. The wheel enables an injured man to progressively lift his arm to normal height above the head. Lower picture shows another type of apparatus used in physiotherapy treatment of convalescent injured workers.

Inflation of Values Reflected in Stocks

In commenting upon the fact that stock markets in Canada and United States have completed their twelfth month of virtually uninterrupted rising prices, the March stock letter of A. E. Ames & Co. maintains that in its broadest sense the rise in stock market prices should be regarded as a welcome reflation of values. The rise reflects widespread improvement in economic conditions and has not been accompanied or financed by indiscriminate borrowing.

In addition to a general reflation of values, the rise may also be attributed to the partial recovery of corporate earnings, the letter states. "In part it is due to the abundance of investment funds which have had to seek an outlet, not only in bonds, but in the better grade of investment stocks whose financial strength and earnings prospects may promise continuance of a steady and increasing dividend return. In part, the rise is also probably due to apprehension over vaguely defined inflation.

The BACHELOR'S CORNER



Cigars . . . and *Cigars*

Of course there are cigars — and cigars. The man who really appreciates a cigar in its true light — the seal of friendship, the stimulator of calm, sure thoughts, the companion of rich moments of living — the man who is a connoisseur of real enjoyment knows well the subtle fashion in which pure Havana blends with and enriches the abundant hour, whether solemn or gay.

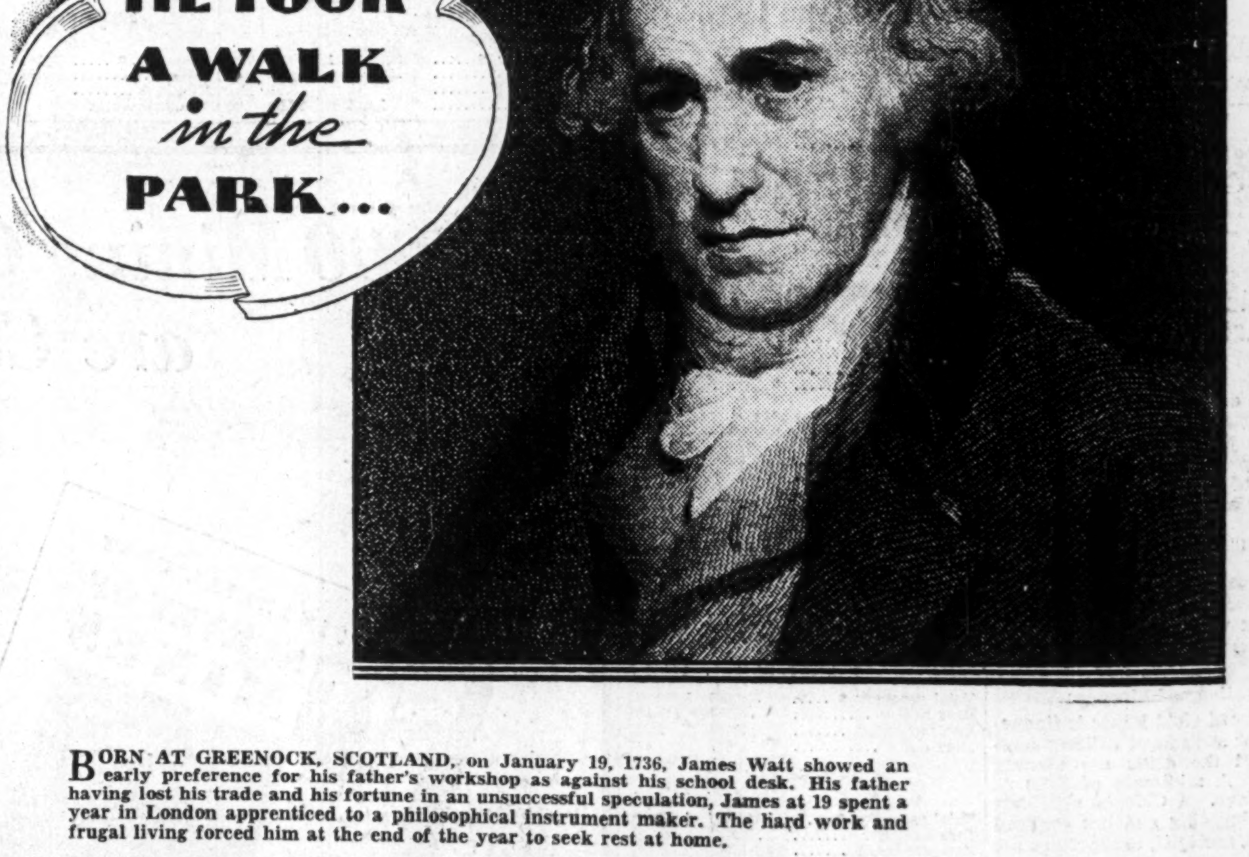
It is a sign of a maturing mind when he comes to this realization — when, making the cigar worthy of the occasion, he lights up a Bachelor and says:

"IT'S GOOD TO GET BACK TO A 10c CIGAR!"

WILSON'S
BACHELOR
Cigar
10¢
100% Havana Filler

J. P. LANGLEY & CO.
C. P. ROBERTS, F.C.A.
Chartered Accountants
TORONTO - KIRKLAND LAKE

A. J. PATTISON Jr. & CO. Ltd.
Established 1907
CORPORATION SECURITIES
Royal Bank — EL. 5101
TORONTO



BORN AT GREENOCK, SCOTLAND, on January 19, 1736, James Watt showed an early preference for his father's workshop as against his school desk. His father having lost his trade and his fortune in an unsuccessful speculation, James at 19 spent a year in London apprenticed to a philosophical instrument maker. The hard work and frugal living forced him at the end of the year to seek rest at home.

In 1756 he set up shop in the grounds of the college at Glasgow. He became a sort of "trouble shooter," called in when laboratory and other equipment "went sour."

One day a Professor Anderson asked him to repair a Newcomen steam engine used in his classes as a model. Thomas Newcomen had invented his engine before Watt was born and it was then employed to pump water out of Cornish mines. Prior to this, Watt's interest in steam had been largely theoretical but the Newcomen model thoroughly aroused him. In this engine steam was admitted to the cylinder below a piston and there condensed. Watt was struck by the inefficiency, the waste of steam.

He set himself to find its cause and remedy. He was fairly obsessed by the problem and would be seen on the campus lost in thought. Then, one day—it was in 1765 and while strolling under the trees in the college grounds — the idea struck him. A separate condenser!

Watt's theory is known to almost every school child today. Suffice it to say that before Watt's time the steam engine was exclusively a steam pump, slow-working, cumbrous and excessively wasteful of fuel. His first patent made it quick-working, more powerful and more efficient, but still only a steam pump. His later inventions adapted it to drive machinery of all kinds.

Watt's steam engine was lubricated in primitive fashion. The Science of Lubrication, without which the Machine Age would have been impossible, was not yet born. Today the whole world moves literally on a film of oil. Imperial Oil Industrial Lubricants are used in every branch of Canadian industry because they are the result of over 50 years of experience in developing high-quality lubricants and fuels.

Call your nearest Imperial Oil office for the services of an Imperial Technical Service man—a trained lubrication engineer who will advise you on lubrication problems.

★★★ IMPERIAL PRODUCTS

IMPERIAL OIL LIMITED

Legal and Professional Directory

REID, WALLBRIDGE, GIBSON & SUTTON
Barristers, Solicitors, etc.
R. L. Reid, K. C. D. S. Wallbridge
J. G. Gibson W. A. Sutton
YORKSHIRE BUILDING
VANCOUVER, B.C.

Pitblado, Hoskin, Grundy, Bennest and Drummond-Hay
Pitblado, Hoskin, Turner, McEwen and Alsaker
Barristers, Solicitors, Etc.
Hamilton Building
WINNIPEG, CANADA

Victor A. Sinclair, K.C.
Formerly Chairman, Workmen's Compensation Board, Ontario.
Special attention Workmen's Compensation, Social Insurance, Life Insurance, Corporation and Commercial Law.
1503 Canada Permanent Bldg.,
TORONTO, CANADA

PEARSON, RUTLEDGE & DONALD
BARRISTERS, SOLICITORS, &c.
G. FRED PEARSON, K.C.
J. E. RUTLEDGE, K.C.
ROBERT T. DONALD, LL.B.
CABLE ADDRESS: "PEARSON," HALIFAX
Chronicle Building
Halifax, Nova Scotia.

FISHING, GOLFING
FARMING
FOR SALE

Ideal country estate for the ardent fisherman, golfer and gentleman farmer, two miles from Acton, Ontario, and half a mile off King's Highway Number 7. Property comprises about 210 acres, 100 acres well cultivated farm land devoted to raising pedigreed Guernseys, and the remaining estate consists of an interesting and sporty nine-hole golf course in excellent condition; tennis court, fry ponds, four large trout ponds and trout stream well stocked with thousands of speckled, rainbow and cut-throat trout. A most complete trout hatchery is in operation. Many wild pheasants nest on the property.

The buildings on the estate are all large and well-built, with modern electric equipment. The main house, caretaker's house and fish hatchery are stone buildings. The farm house is a new frame house and the new spacious barn is a metal clad building on stone foundation with large silo attached.

The grounds are beautified with shade trees, shrubbery and formal flower beds. Most of the estate is fenced with a very strong, high steel fence.

The herd of cattle consists of 29 registered pedigreed Guernseys and the barn is very complete with all modern equipment and quarters for the care of such a herd, and there is an established market for the milk.

For further information apply to
1809 ROYAL BANK BLDG., TORONTO

CHARTERED ACCOUNTANTS

WILTON C. EDDIS & SONS
Established 1895
CHARTERED ACCOUNTANTS
Federal Building, Toronto

McDONALD CURRIE & CO.
CHARTERED ACCOUNTANTS
Montreal Quebec Toronto

RUTHERFORD WILLIAMSON & CO.
CHARTERED ACCOUNTANTS
RUTHERFORD WILLIAMSON, F.C.A., HAROLD A. SHIACH, F.C.A.,
TORONTO, MONTREAL
Licensed Trustees and Receivers
Rutherford Williamson, F.C.A. F. R. McCutcheon, C.A.

E. R. C. CLARKSON & SONS
Authorized Trustees and Receivers
CLARKSON, GORDON, DILWORTH & NASH
15 Wellington Street West, Toronto
Toronto — Montreal — Ottawa

Robertson, Robinson, McCannell & Dick
CHARTERED ACCOUNTANTS
D. H. McCANNELL—Licensed Trustee in Bankruptcy
Sterling Tower, Toronto

RONALD, GRIGGS & CO. Winnipeg
Chartered Accountants Saskatoon

MILLAR, MACDONALD & CO.
CHARTERED ACCOUNTANTS
WINNIPEG MANITOBA